

Ohio House of Representatives



ANNOUNCEMENT OF COMMITTEE MEETING

COMMITTEE: Financial Institutions, Housing, and Urban Development
CHAIR: Jonathan Dever
DATE: Tuesday, January 16, 2018
TIME: 9:00 AM
ROOM: Room 114

AGENDA

<u>BILL</u>	<u>SPONSOR</u>	<u>TITLE</u>	<u>STATUS</u>
H. B. No. 182	Rep. Seitz	Address debt adjusting	5th Hearing Prop/Opp/IP
H. B. No. 386	Rep. Henne, Rep. Kelly	Modify credit reporting agency fees for a credit report freeze	4th Hearing Prop/Opp/IP
H. B. No. 390	Rep. Merrin	Clarify computation of timelines for forcible entry and detainer	4th Hearing Prop/Opp/IP

The Chair respectfully requests **an electronic copy** of oral and/or written testimony and all amendments to FinancialInstitutionsHousing&UrbanDevelopmentCommittee@ohiohouse.gov at least 24 hours prior to committee.

From: Financial Institutions Housing & Urban Development Committee
Sent: Tuesday, January 16, 2018 7:46 AM

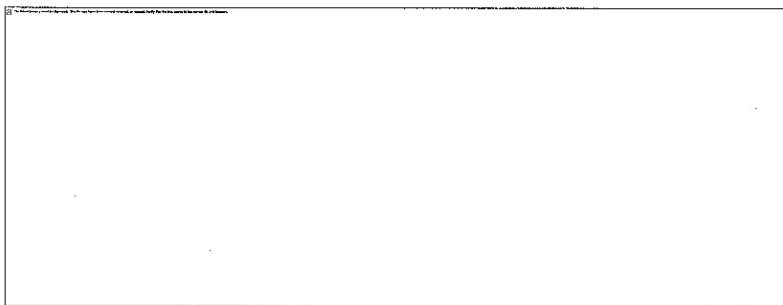
To: Hucke, Justin

Subject: UPDATE: FIHUD Committee Time Change

Attachments: Witness Information form.docx; notice - updated.pdf

Importance: High

****The House Financial Institutions, Housing, and Urban Development Committee will now meet at 10:00am today****



ANNOUNCEMENT OF COMMITTEE MEETING

1st Revision

COMMITTEE: Financial Institutions, Housing, and Urban Development
CHAIR: Jonathan Dever
DATE: Tuesday, January 16, 2018
TIME: **10:00 AM**
ROOM: Room 114
NOTATION: Time change

AGENDA

<u>BILL</u>	<u>SPONSOR</u>	<u>TITLE</u>	<u>STATUS</u>
H. B. No. 182	Rep. Seitz	Address debt adjusting	5th Hearing Prop/Opp/IP

H. B. No. 386	Rep. Henne, Rep. Kelly	Modify credit reporting agency fees for a credit report freeze	4th Hearing Prop/Opp/IP
H. B. No. 390	Rep. Merrin	Clarify computation of timelines for forcible entry and detainer	4th Hearing Prop/Opp/IP

WITNESS INFORMATION FORM

Please complete the Witness Information Form before testifying:

Date: _____

Name: _____

Are you representing: Yourself _____ Organization _____

Organization (If Applicable): _____

Position/Title: _____

Address: _____

City: _____ State: _____ Zip: _____

Best Contact Telephone: _____ Email: _____

Do you wish to be added to the committee notice email distribution list? Yes _____
No _____

Business before the committee

Legislation (Bill/Resolution Number): _____

Specific Issue: _____

Are you testifying as a: Proponent _____ Opponent _____ Interested Party _____

Will you have a written statement, visual aids, or other material to distribute? Yes _____
No _____

(If yes, please send an electronic version of the documents, if possible, to the Chair's office prior to committee. You may also submit hard copies to the Chair's staff prior to committee.)

How much time will your testimony require? _____

Please provide a brief statement on your position:

Please be advised that this form and any materials (written or otherwise) submitted or presented to this committee are records that may be requested by the public and may be published online.

Ohio House of Representatives



ANNOUNCEMENT OF COMMITTEE MEETING

1st Revision

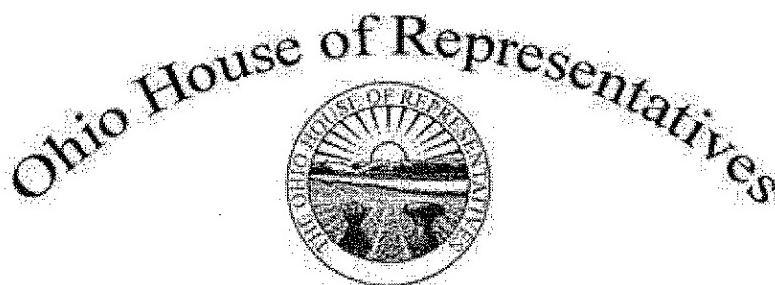
COMMITTEE: Financial Institutions, Housing, and Urban Development
CHAIR: Jonathan Dever
DATE: Tuesday, January 16, 2018
TIME: 10:00 AM
ROOM: Room 114
NOTATION: Time change

AGENDA

<u>BILL</u>	<u>SPONSOR</u>	<u>TITLE</u>	<u>STATUS</u>
H. B. No. 182	Rep. Seitz	Address debt adjusting	5th Hearing Prop/Opp/IP
H. B. No. 386	Rep. Henne, Rep. Kelly	Modify credit reporting agency fees for a credit report freeze	4th Hearing Prop/Opp/IP
H. B. No. 390	Rep. Merrin	Clarify computation of timelines for forcible entry and detainer	4th Hearing Prop/Opp/IP

From: Financial Institutions Housing & Urban Development Committee
Sent: Tuesday, January 16, 2018 8:45 AM
To: Hucke, Justin
Subject: CANCELLED: FIHUD Committee
Attachments: notice - cancelled.pdf

Importance: High



ANNOUNCEMENT OF COMMITTEE MEETING

2nd Revision

COMMITTEE: Financial Institutions, Housing, and Urban Development
CHAIR: Jonathan Dever
DATE: Tuesday, January 16, 2018
TIME: 10:00 AM
ROOM: Room 114
NOTATION: Committee Cancelled

AGENDA

<u>BILL</u>	<u>SPONSOR</u>	<u>TITLE</u>	<u>STATUS</u>
H. B. No. 182	Rep. Seitz	Address debt adjusting	5th Hearing Prop/Opp/IP
H. B. No. 386	Rep. Henne, Rep. Kelly	Modify credit reporting agency fees for a credit report freeze	4th Hearing Prop/Opp/IP
H. B. No. 390	Rep. Merrin	Clarify computation of timelines for forcible entry and detainer	4th Hearing Prop/Opp/IP



Ohio House of Representatives



ANNOUNCEMENT OF COMMITTEE MEETING

2nd Revision

COMMITTEE: Financial Institutions, Housing, and Urban Development
CHAIR: Jonathan Dever
DATE: Tuesday, January 16, 2018
TIME: 10:00 AM
ROOM: Room 114
NOTATION: Committee Cancelled

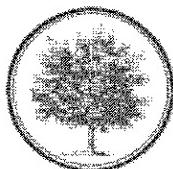
AGENDA

<u>BILL</u>	<u>SPONSOR</u>	<u>TITLE</u>	<u>STATUS</u>
H. B. No. 182	Rep. Seitz	Address debt adjusting	5th Hearing Prop/Opp/IP
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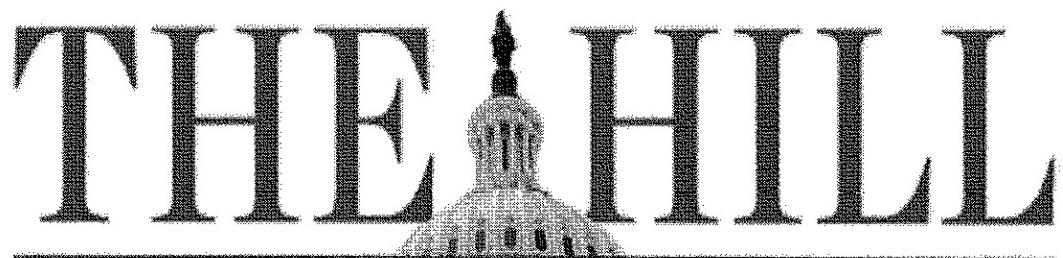
From: The Buckeye Institute
Sent: Tuesday, January 16, 2018 11:40 AM
To: Kasych, Shawn
Subject: ICYMI: Buckeye's Rea Hederman Looks at Medicaid Work Requirements in The Hill

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THE BUCKEYE INSTITUTE



Work requirements in Medicaid reform will work

The Hill
By Rea S. Hederman Jr.
January 12, 2018

When President Bill Clinton signed welfare reform into law, many critics warned of impending calamity for welfare recipients. Individuals on welfare would be unable to

comply with work requirements and would face dire poverty. These critics underestimated the ability of welfare recipients to find work and stay employed.

Today, the debate is over the amount of gains welfare recipients who returned to work made, not whether or not they fell into dire poverty. Many recipients, particularly women, made large strides in the work force and increased their family income by work. It appears, this debate is going to be repeated, this time over Medicaid work requirements.

President Trump's administration made clear that work requirements are now allowed in Medicaid waivers, and the Centers for Medicare and Medicaid Services just **issued guidelines** for the approval of work requirements. The administration has now strongly encouraged states to include these requirements in Medicaid waivers.

Much like welfare reform, this would be a welcome change that would move able bodied Medicaid recipients back into the workforce. The traditional Medicaid population such as the elderly, disabled, the blind, pregnant women, foster children, and many others would not be affected by work requirement waivers.

When the **Congressional Budget Office (CBO) analyzed the Affordable Care Act (ACA)**, it found that the ACA would reduce work, in large part because of Medicaid expansion. Single, childless, able-bodied adults were made eligible for Medicaid under the ACA, and CBO estimated that many of these individuals would work less since they no longer needed full-time jobs to maintain health insurance. Indeed, labor force participation in the U.S. has fallen and public policies like Medicaid expansion, which can deter work, have contributed to this.

Critics of work requirements in Medicaid will say that healthy Medicaid recipients will struggle to find work, and the requirements are unfair and burdensome. However, evidence shows that healthy Medicaid recipients do find work if they need to maintain health insurance. When Tennessee ended a Medicaid expansion program for healthy adults, academic **research** followed the Medicaid recipients. It found that many of them found work or increased the hours they worked in order to obtain health insurance.

Like the debate over welfare reform, Medicaid recipients have the ability to work and earn wages and they will have the added benefit of gaining experience in the workplace, learning new skills, and earning additional income. Without the work requirement, an

individual's skills will degrade the longer they are out of work, and the harder it becomes to find a job.

States that expanded Medicaid are eager to be able to use waiver requirements to help their Medicaid programs. Ten states currently have a Medicaid waiver that incorporates some form of work requirements pending with the federal government.

Other states like Ohio are working to submit a new waiver with some type of work requirements. These work requirements do not impose a 40-hour work week and many requirements can be fulfilled through charitable work, job training, or other educational programs.

Work requirements in welfare reform were a successful recognition that work is valuable for individuals, families, and societies. Encouraging people not to work but to become dependent on government reduces economic mobility and can reduce a person's lifetime income. Encouraging healthy people to work more, which will likely result in higher future earnings, should not be controversial but rather common sense.

In short -- work requirements work.

Rea S. Hederman Jr. is executive director of the Economic Research Center at The Buckeye Institute and vice president of policy.

#

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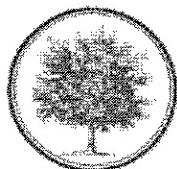
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From: The Buckeye Institute
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To: Kasych, Shawn
Subject: Celebrating National School Choice Next Week!, By Greg R. Lawson

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THE BUCKEYE INSTITUTE

Celebrating National School Choice Next Week!

By Greg R. Lawson
January 18, 2018

Hard to believe but 2018 is already here and it is time to once again celebrate Ohio's students! Next week will be the eighth **National School Choice Week**. It is the largest celebration of the many opportunities and choices that are now available for students, and their families, to find an education that works best for them -- not the education bureaucracy.

The Buckeye Institute has a long history with **school choice and education** in Ohio. In fact, Buckeye was one of the first groups that offered data to policymakers that showed how school choice in Ohio could help students escape from situations where they were not being served and allowed to flourish.

Of course, school choice means freedom for children to learn in the environment that best suits their needs. But as thousands of Ohioans and many more Americans celebrate

what school choice means for them, it is important to realize just how far we have come in Ohio.

Ohio was, arguably, THE national leader in school choice. In 1990, Ohio created one of the first voucher programs in the nation. This first program led to the groundbreaking U.S. Supreme Court decision, *Zelman v. Simmons-Harris*. The 5-4 decision in that case found that such programs do not violate the First Amendment's Establishment Clause and from that point on, school choice has been able to expand across the nation.

Today, Ohio has **five programs** that service more than 40,000 students, including those with income challenges, those in failing school districts, and those with certain disabilities.

Legislation pending in the General Assembly will streamline and greatly expand the opportunities afforded by these programs. For example, Ohio is **one of only a few states** where its largest school choice program, the **EdChoice Scholarship**, is available only to those students who are assigned to failing schools. However, due to the **safe harbor** provision, many students are not eligible for EdChoice even if they are in a failing school.

Despite Ohio's early leadership on school choice, much work remains to empower families. One such area is embracing education savings accounts (ESA), which we called for in our report: *Education Savings Accounts: Expanding Education Options for Ohio*. ESAs will provide additional incentives to propel Ohio's educational system forward from a 20th Century model into one nimble enough to meet the demands of the 21st Century. By allowing parents to roll over money not spent on tuition, families will have greater flexibility for things like textbooks, tutors, enrolling students in online classes, or even saving money for college.

So far, Arizona, Florida, Mississippi, Nevada, North Carolina, and Tennessee have embraced ESAs. It is time for Ohio to do the same!

Clearly, 2018 can be an exciting year to improve school choice for Ohio students, and we invite you to join us and so many others, like **School Choice Ohio**, to celebrate what has been accomplished in strengthening and expanding school choice.

Greg R. Lawson is the research fellow at The Buckeye Institute.

#

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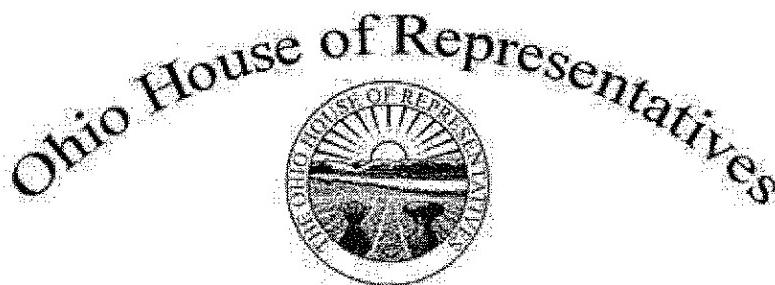
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Sent by info@buckeyeinstitute.org

From: Financial Institutions Housing & Urban Development Committee
Sent: Thursday, January 18, 2018 4:42 PM
To: Hucke, Justin
Subject: FIHUD Committee Announcement - 1.23.2018
Attachments: notice.pdf

Importance: High



ANNOUNCEMENT OF COMMITTEE MEETING

COMMITTEE: Financial Institutions, Housing, and Urban Development
CHAIR: Jonathan Dever
DATE: Tuesday, January 23, 2018
TIME: 10:00 AM
ROOM: Room 114

AGENDA

<u>BILL</u>	<u>SPONSOR</u>	<u>TITLE</u>	<u>STATUS</u>
H. B. No. 432	Rep. Boggs, Rep. Kelly	License student loan servicers and create ombudsperson	1st Hearing Sponsor
H. B. No. 182	Rep. Seitz	Address debt adjusting	5th Hearing Poss. Vote Prop/Opp/IP
H. B. No. 386	Rep. Henne, Rep. Kelly	Modify credit reporting agency fees for a credit report freeze	4th Hearing Prop/Opp/IP

H. B. No. Rep. Merrin
390

Clarify computation of timelines for forcible entry and detainer 4th Hearing Prop/Opp/IP

The Chair respectfully requests **an electronic copy** of oral and/or written testimony and all amendments to FinancialInstitutionsHousing&UrbanDevelopmentCommittee@ohiohouse.gov at least 24 hours prior to committee.

Ohio House of Representatives



ANNOUNCEMENT OF COMMITTEE MEETING

COMMITTEE: Financial Institutions, Housing, and Urban Development
CHAIR: Jonathan Dever
DATE: Tuesday, January 23, 2018
TIME: 10:00 AM
ROOM: Room 114

AGENDA

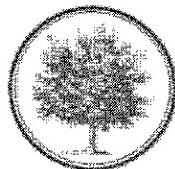
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The Chair respectfully requests **an electronic copy** of oral and/or written testimony and all amendments to FinancialInstitutionsHousing&UrbanDevelopmentCommittee@ohiohouse.gov at least 24 hours prior to committee.

From: The Buckeye Institute
Sent: Friday, January 19, 2018 10:19 AM
To: Kasych, Shawn
Subject: Buckeye's Rea Hederman: Ohio Rings In 2018 with Strong Economic Numbers

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Contact: Lisa Gates, Vice President of Comms
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FOR IMMEDIATE RELEASE
January 19, 2018

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Buckeye's Rea Hederman: Ohio Rings In 2018 with Strong Economic Numbers

Columbus, OH -- Rea S. Hederman Jr., executive director of the Economic Research Center at **The Buckeye Institute** and vice president of policy, commented on newly released unemployment data from the **Ohio Department of Job and Family Services**.

"Ohio's labor market had a good year in 2017 and rang in the New Year with strong economic numbers. Every employment measure in 2017 ended in positive territory.

Unemployment is down once again to 4.7 percent, down from 4.8 percent in November, and down from five percent at the end of 2016.

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"The size of the Ohio labor market increased sharply with Ohioans accounting for more than one out of 10 new entrants into the national labor force. Although Ohio's unemployment rate did not fall as fast as the national average, almost 90,000 Ohioans entered the labor force, with the national labor force growing by 850,000, meaning that Ohio accounted for more than 10 percent of people entering the national work force."

The payroll survey indicates that Ohio created 43,200 private sector jobs in 2017. Over the last year, the leaders in job growth were leisure and hospitality (14,900), manufacturing (10,200), educational services (8,400), and financial activities such as finance and real estate (9,800). Retail trade (-17,000) saw significant job losses while the information service sector (-2,600) and business administrative, support and waste services (-3,200) also saw small declines.

#

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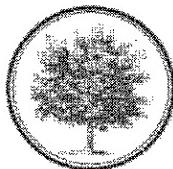
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Subject: ICYMI: Buckeye's Greg Lawson Argues for a Competitive Energy Market on Cleveland.com

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THE BUCKEYE INSTITUTE



Ohio should be able to make its own decision

Cleveland.com
Letter to the Editor
January 19, 2018

A Jan. 16 letter to the Plain Dealer, "Ohio wants clean energy," endorses a recent poll showing that Ohio voters support renewable energy.

The letter suggests Ohio policymakers should therefore support a law requiring all Ohioans to buy electricity from wind and solar farms.

Protecting natural resources is laudable, and that's why The Buckeye Institute supports energy choice. All Ohioans can choose an electricity plan from competing providers that uses 100 percent renewable electricity.

This market system gives renewable energy companies an incentive to innovate, compete, and create sustainable jobs. Government mandates just give renewable energy companies an incentive to lobby government officials. Mandates in effect subsidize special interests at the expense of all Ohioans.

Ohio should open its doors to clean energy by encouraging choice and competition, rolling back restrictive regulations, and eliminating subsidies to any energy company.

A wind energy advocate recently stated, "It's clear Ohio conservatives are ready to allow farmers the opportunity to decide what's best for their business and their property." If farmers should be able to make their own decisions, the rest of Ohio should be too.

Greg R. Lawson
Research Fellow
The Buckeye Institute
Columbus

#

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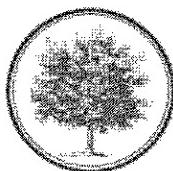
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From: The Buckeye Institute
Sent: Tuesday, January 23, 2018 4:26 PM
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Subject: The Buckeye Institute Testifies on the Need to Reform Ohio's Failing Cash Bail System

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FOR IMMEDIATE RELEASE
January 23, 2018

The Buckeye Institute Testifies on the Need to Reform Ohio's Failing Cash Bail System

Daniel Dew Testifies Before Ohio House Criminal Justice Committee

Columbus, OH -- The Buckeye Institute's Daniel J. Dew testified today (see full text below or [download a PDF](#)) before the Ohio House Criminal Justice Committee on Ohio's failing cash bail system, which the polices in House Bill 439 would reform.

Pulling from his report "*Money Bail": Making Ohio a More Dangerous Place to Live*", Dew outlined the failure of Ohio's system saying, "The traditional cash bail system allows accused murderers, child rapists, armed robbers, and dangerous gang members to be arrested and released into our communities to await trial. Meanwhile, otherwise law-

abiding, harmless citizens sit in jail for days, weeks, or even months for drunken jaywalking, violating dress-codes, or failing to pay traffic tickets. These absurd incongruities stem from a pretrial release system rooted in money rather than a careful, scientific assessment of the risks that the accused pose to our neighborhoods."

Acknowledging that pretrial detention is a necessary aspect of the criminal justice system, Dew noted that in *U.S. v. Salerno*, the United States Supreme Court ruled that pretrial detention must be a regulatory measure to ensure public safety, and if it is used to punish the accused, it is an unconstitutional violation of the right to due process of law.

Dew went on to highlight the success of verified risk-assessment tools, like the **Public Safety Assessment** developed by the **Laura and John Arnold Foundation**, that have been used to "forge remarkable results in pretrial detention."

Citing success in Lucas County, which has used the Arnold Foundation tools, Dew said, "Since switching to an evidence-based, risk-assessment system, Lucas County, Ohio has seen more defendants released before trial, more defendants appearing for trial, and less crime committed by those awaiting trial. Crime committed by those on release, dropped from 20 percent to 10 percent. Those skipping their court date dropped by 12 percent, even as the number of people released without money bail doubled."

Dew closed saying, "Pretrial decisions should be based on risk, not the size of the defendant's wallet. As experience has shown, money deposited with the court or with a bail agent does not make a person less dangerous. Policies like those found in House Bill 439 would make our system fairer and our communities safer."

#

**Interested Party Testimony on House Bill 439
Before the Ohio House Criminal Justice Committee**

**Daniel J. Dew, Legal Fellow
The Buckeye Institute for Public Policy Solutions
January 23, 2018**

Chairman Manning, Vice Chairman Rezabek, Ranking Member Celebreeze, and members of the Committee, thank you for the opportunity to speak about the important pretrial detention reform policies found in House Bill 439. My name is Daniel Dew and I am a legal fellow at **The Buckeye Institute**, a free-market think tank here in Columbus.

As I outlined in my report, "*Money Bail": Making Ohio a More Dangerous Place to Live*", The traditional cash bail system allows accused murderers, child rapists, armed robbers, and dangerous gang members to be arrested and released into our communities to await trial. Meanwhile, otherwise law-abiding, harmless citizens sit in jail for days, weeks, or even months before trial for drunken jaywalking, violating dress-codes, or failing to pay traffic tickets. These absurd incongruities stem from a pretrial release system rooted in money rather than a careful, scientific assessment of the risks that the accused pose to our neighborhoods.

Pretrial detention is an unfortunate, but necessary aspect of the criminal justice system.

During the time between arrest and trial, the defendant enjoys the presumption of innocence, having not yet been convicted of a crime. But those accused of crimes have some incentive to avoid standing trial and, if released, may flee the jurisdiction and never appear in court to face the proverbial music. Moreover, dangerous defendants may even commit more crimes while awaiting trial. Thus, the United States Supreme Court has recognized that the state's interest in the public's safety may allow the accused to be detained before and during trial.^[1] The Court emphasized that such pretrial detention must be a regulatory measure to ensure public safety and the accused's appearance for trial.^[2] If pretrial detainment is used to punish the accused, observed the Court, it is an unconstitutional violation of the right to due process of law.^[3]

How pretrial detention decisions are made is left to the state. The goal of a pretrial system should be to release as many defendants as safely possible before trial, and for defendants to show up for court.

Actuarial risk-assessment tools, like the Public Safety Assessment developed by the **Laura and John Arnold Foundation**, have helped forge remarkable results in pretrial detention. Since switching to an evidence-based, risk-assessment system, Lucas County, Ohio, for example, has seen more defendants released before trial, more defendants appearing for trial, and less crime committed by those awaiting trial.^[4] Crime committed by those on release, for instance, dropped from 20 percent to 10 percent.^[5] Those skipping their court date dropped by 12 percent, even as the number of people released without money bail doubled.

The Lucas County results are no fluke. San Francisco, currently using a similar risk-assessment tool, has seen its crime rate by those awaiting trial slashed in half,^[6] and New Jersey, after implementing statewide reforms this year, has witnessed an overall 17 percent drop in violent crime, and a 27 percent drop in murders.^[7]

There will be opposition to these policies from the bail bond industry. Bail bonds support a \$2 billion per year industry.^[8] When a defendant cannot afford set bail, a bond agent may deposit a surety bond with the court on the defendant's behalf. In most states, including Ohio, the law requires that bail companies charge the accused a non-refundable 10 percent of the bail.^[9]

Typically, bail agents perform rather routine tasks to ensure that those free on bail appear in court at the required time. Agents, for example, often call or text their clients to remind them of court dates^[10] and get the accused's family members involved to ensure compliance with the court's orders.^[11]

Less frequently, bail agents will attempt to recover or apprehend fugitives who have skipped-out on the court's orders and fled. Regrettably, if predictably, fugitive recovery efforts performed by bail agents or bounty hunters instead of trained law enforcement officers do not always end well.

In April 2017, bounty hunters in Tennessee killed an innocent man while trying to return a fugitive.^[12] Then in June, three people were killed during a 20-round shootout between a fugitive and Texas bounty hunters.^[13] And in Cleveland, Ohio, two bounty hunters were shot while attempting a fugitive recovery.^[14] Such tragic incidents are recent reminders that state law should not create incentives for civilians with 20 hours of classroom training to perform dangerous law enforcement functions that put them, the fugitive, and the public at risk.

In conclusion, pretrial decisions should be based on risk, not the size of the defendant's wallet. As experience has shown, money deposited with the court or with a bail agent does not make a person less dangerous. Policies like those found in House Bill 439 would make our system fairer and our communities safer.

= A

Thank you for the opportunity to testify today.

[1] *U.S. v. Salerno*, 481 U.S. 739, 748, 1987.

[2] *Id.*

[3] *Id.*

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Volume #87, Report #15 -- Tuesday, January 23, 2018

Lawmakers Urged To Find Bipartisan Agreement On Redistricting Revamp; Sponsor Says Changes Afoot

A key Ohio business group told legislators Tuesday that it could get behind a proposal to change how congressional districts are drawn in Ohio - as long as the plan has "strong" buy-in from both parties.

The sponsor of the proposal, meanwhile, said he wouldn't move forward with process changes without bipartisan support, and that several changes to reach that goal are already under consideration.

Keith Lake, vice president of government affairs for the Ohio Chamber of Commerce, told members of the Senate Government Oversight & Reform Committee reviewing the GOP's resolution (SJR 5) that his group prefers the approach taken in 2015, when a bipartisan agreement led to a General Assembly-backed ballot issue on legislative redistricting that was later approved by more than 70% of voters.

He noted the chamber had previously opposed two citizen-initiated constitutional amendments on the same subject, while the 2015 issue "was put on the ballot by overwhelming bipartisan majorities of the General Assembly and, most importantly, prevents one political party from controlling the process."

"The Ohio Chamber would prefer the congressional redistricting process be revised the same way - beginning with a proposal put on the ballot by the General Assembly after it has garnered support from strong bipartisan majorities," Mr. Lake said.

"While a step in the right direction, SJR5 is not yet that. Unfortunately, what we've observed up to this point is much criticism of SJR5 but not much in the way of constructive feedback. We urge everyone to work together to find a solution that does what our board urged in its 2012 resolution: develop 'an accountable, bipartisan approach that Ohio voters can rely on to produce effective reform and fair congressional districts.'

Echoing opponents of the measure, Mr. Lake said it's important to revise the process appropriately because the current system "isn't working for Ohioans."

"It leads to diminished General Election competition and contributes to intensified partisanship and contentiousness, which turns off otherwise qualified potential public servants from pursuing office," he said.

Sen. Michael Skindell (D-Lakewood) said Democrats were ready to work on an agreeable plan, but Republicans have been reluctant to do so and instead rolled out a resolution without their input.

"We agree with you a measure needs to be bipartisan," he said.

Sen. Matt Huffman (R-Lima), the resolution sponsor, said he has "no intention of moving forward with a resolution out of the Senate...unless there is a change of Democratic support for it." He added that a one-sided plan would likely lose at the ballot anyway.

At that point in the committee hearing, the sponsor informed the audience that several changes were in the works, including making the commission's product a bill that must receive the governor's signature and be subject to a referendum. Taking the governor out of it was his idea, but people don't like it, he acknowledged.

In an interview before the hearing, Sen. Huffman said other changes under consideration would address several of the opponents' complaints with his package.

Those include "tightening language" on county splits and removing the provision dealing with one man, one vote requirements, he said. Altering the percentage of minority party buy-in on maps is also under consideration.

The sponsor said he plans more meetings with interested parties on the measure, which will not be voted out of committee Wednesday despite being slated for possible movement.

He hopes to resolve the differences over the next several days and have the resolution ready for a committee report next Tuesday, Sen. Huffman said. "I really think it's coming together."

Sen. Vernon Sykes (D-Akron) responded in committee to the sponsor's comments of the looming "substantial changes" by saying that Democrats would look closely at the totality of the plan and its expected results versus individual components.

"We are interested in addressing gerrymandering, not just changing how you do gerrymandering," he said.

Sen. Huffman responded, "We will work together on this and will come up with something good."

Mr. Lake's testimony stood out Tuesday as coming from an "interested party." All of the other witnesses, including representatives of a group that's already circulating petitions for a citizen-backed constitutional amendment - Fair Districts=Fair Elections - were listed as opponents.

Among them was Heather Taylor-Miesle, executive director of the Ohio Environmental Council, who said a more bipartisan approach is key to ultimately creating "fair, representative policies" on matters impacting the environment and other areas.

"Bipartisan solutions are more likely when voters select their elected officials and not the other way around, and keeping communities together gives voters leverage to demand action on the pollution going into the neighborhood creek or attention to the quality of their air," she said.

Ms. Taylor-Miesle raised several concerns with the approach laid out in the proposal at hand, including issues related to one person, one vote requirements, splitting of communities and the mapmaking process.

"The requirement under SJR5 to draw districts the exact same population size, with only a variance of plus or minus one person, basically negates any other criteria that could be followed," she said. The community splitting guidelines in the resolution are also problematic because they would be applied unevenly across the state.

Regarding the proposed mapmaking approval process, she added, saying at least 50% of the minority caucuses should be required.

"However, our bigger concern is the commission process outlined if the legislature fails to meet the deadline," Ms. Taylor-Miesle said, citing the ability to pass a four-year plan by a simple majority and then potentially turn it into a 10-year map.

OEC also raised concerns with the lack of a referendum option in the measure and its definition of "compact."

Sen. Huffman called the objections "meritorious arguments" but pointed to the varying sizes of cities and townships and asked if the preference would be to base on population. The witness said it was open to discussion on how to "get there" with the goal of ending up with bipartisan districts.

Asked about the group's objections to the judicial review aspect of the resolution, Ms. Taylor-Miesle said her group was looking for more clarity on language regarding Supreme Court review.

Chairman Sen. Bill Coley (R-Liberty Twp.) got into a debate over the Fair Districts proposal with one of several citizens who showed up to testify on their own behalf and express preference for the pending ballot initiative that supporters have said has already attracted some 200,000 signatures.

He asked Jane Cape, a Springfield resident, to explain the legal definition of "representational fairness" in the Fair District plan and how she would defend it in court.

After saying she was not a lawyer and wouldn't be in court under such a scenario, she replied that it was something that results in elections not being decided at the primary level.

As she continued to make her case, the chairman interjected that he had heard all of the "rhetoric" and "histrionics" over the matter, prompting a rebuke from Ms. Cape.

The result was applause from the audience and a subsequent gaveling from the chairman.

Another citizen, Wendy Dyer from Bellbrook, chastised the majority for presenting a plan that she said "legalizes gerrymandering" and was an attempt to get out ahead of and "circumvent" the public initiative.

Ann Henkener of the League of Women Voters of Ohio and a chief proponent of the Fair Districts=Fair Elections campaign, said the Huffman resolution "does nothing to rein in partisan gerrymandering and takes away an important right that voters in Ohio currently have - the right to referendum," while acknowledging the sponsor's prior statement that changes were in the works in that regard.

"Voters also have a right to fair representation and SJR5 perpetuates the ability of the majority party to draw districts designed to gain a disproportionate majority of seats for their party," she said in her prepared remarks. "I urge this Committee to reject this proposal and substitute a plan that will require bi-partisan support to adopt a redistricting plan, keep communities together, and not permit plans to be drawn to primarily favor or disfavor a political party."

Sen. Coley asked why, if the ability to referendum the map was so important, the ballot group didn't include it in their proposed constitutional amendment.

Ms. Henkener responded that the Fair Districts plan wouldn't result in a bill, and that as far as she knows no other state with a commission-based system allows for referendums.

The chairman also queried the LWVO representative on the definition of representational fairness.

She said it deals with the relation between the state's overall political leanings and the number of Congress members representing each party, or "keeping representation connected to the votes."

If 55% of Ohioans vote for Republicans, for instance, then the number of GOP representatives should reflect that split, she said.

Supporters of the citizen-backed ballot issue are not seeking a "concrete result," rather they are "looking for an opportunity" for both parties in the general election, Ms.

Henkener said. Under the current system, majority partisans "get an advantage that they really don't have with the electorate."

Sen. Coley said in response, "I don't think that's what your proposal does, but I appreciate" your aspirations.

All told, about 15 people testified or provided written comments in opposition to the proposal on Tuesday, with most largely reiterating objections aired previously by the Fair Districts group. (See Gongwer Ohio Report, January 22, 2018)

The House's version of the majority GOP's proposal, which Sen. Huffman said would follow along the lines of changes he is already considering, is slated to be discussed Wednesday in the chamber's Government Accountability & Oversight Committee.

Subscribers Note: Full testimony is available on the committee's website under Jan. 23.

Battle Lines Hold Firm On Right-To-Work, Prevailing Wage Proposals

Sponsors of a slate of right-to-work and prevailing wage resolutions said Tuesday they're confident caucus leaders will exercise their "due diligence" when considering whether to move forward.

But they acknowledged that they have yet to formally poll the House Republican Caucus on where members stand regarding their six joint resolutions introduced last month. (See Gongwer Ohio Report, December 21, 2017)

A spokesman for House Speaker Cliff Rosenberger, meanwhile, reiterated that the Clarksville Republican is open to having the conversation even as Democrats and a top labor group continue blasting the proposals as "anti-worker."

"The speaker is open to having a caucus discussion about this issue, and he believes doing so is very important before any further decisions or determinations are made in regards to these proposals," spokesman Brad Miller said.

Speaking at a Statehouse press conference, Rep. Craig Riedel (R-Defiance) and Rep. John Becker (R-Union Twp.) said they've been encouraged by the speaker's open-mindedness thus far.

"We've spoken with Speaker Rosenberger and we're going to be bringing this up in caucus very soon," Rep. Riedel said. "Hopefully within the next week or two we'll have a caucus discussion over these issues, these resolutions."

If adopted by lawmakers - a three-fifths majority is required - the proposals would head to the 2020 ballot where sponsors said Ohioans of all political persuasions can weigh in to settle the matter once and for all.

"We're not ramrodding anything," Rep. Riedel said. "People are going to say we are, but we're not. Everybody is going to have a say in the matter and everybody will have the opportunity to vote on this."

Two of the resolutions would ban any laws, rules or agreements requiring public and private sector employees to join or pay union dues (HJR 7) and prohibit unions from representing non-members in employment matters (HJR 8).

The other four, which Rep. Becker deemed more "ancillary in nature," would: prevent public authorities from requiring prevailing rate of wages (HJR 9), forbid certain requirements or prohibitions regarding labor agreements in government contracts (HJR 10), subject any public employee collective bargaining representative to an annual election to remain certified as the exclusive representative (HJR 11), and prohibit dues and other fees from being deducted from the payroll check of a public employee (HJR 12).

Unions and Democrats are already pushing back against the resolutions, saying Ohioans already voiced their opinions on the matter by repealing a 2011 law that limited collective bargaining for public employees (SB5, 129th General Assembly).

"Instead of restrictions to make working people poorer and less safe on the job, we should prioritize commonsense ideas that grow our economy and create good-paying jobs that give working families the opportunity to get ahead," Minority Leader Fred Strahorn (D-Dayton) said. "The Republican package of so-called 'right to work' legislation is wrong for working families and wrong for Ohio."

But Rep. Becker said there is "very little to almost nothing" in their new plans that overlaps with the contents of SB5 - an argument AFL-CIO President Tim Burga isn't buying. Mr. Burga said both SB5 and the current proposals are politically-motivated attempts to enact "anti-worker, anti-union" laws.

"You're picking a fight for political reasons at a time when Ohioans can least afford these sorts of unnecessary distractions," Mr. Burga said. "If they've not learned a lesson from SB5 I don't know what it's going to take to wake them up. But I am confident the General Assembly is not interested in introducing proposals that simply are going to take away workers' voices and drive down wages, which is what these things do when you look at them where they've been implemented in other states."

As far as driving down workers' wages, Rep. Riedel insists the opposite; he said his rationale behind the legislation is that it will assist the impoverished in his district by enabling them to keep more of their earnings.

"This is not an affront to unions, this is not an affront to collective bargaining," the sponsor said. "This is all about workers' rights and workers' freedom and being able to choose whether they want to be part of a union and worry about paying fair share fees."

Rep. Becker said that should the resolutions pass the General Assembly he's already envisioning a public campaign from opponents seeking to derail the ballot initiatives. He anticipates the campaign will play out like efforts to repeal the 2011 law.

"At least we'll know what to expect this time," Rep. Becker said.

We Are Ohio, a group that formed in 2011 to oppose SB5, issued a statement denouncing the resolutions as "the Dirty Half Dozen."

"Reps. Riedel and Becker are carrying water for out-of-state interests like the Koch brothers and the American Legislative Exchange Council," the group said. "There are no workers lining up behind these dangerous, divisive and disastrous ideas for Ohioans. Right to Work is wrong for Ohio. Don't trust it."

Rep. Becker said fellow Republicans have shared concerns that the proposals' potential place on the 2020 ballot might drive more Democratic voters to the polls in an important presidential election year.

Rep. Becker said he doesn't adhere to that line of thinking and instead believes Republicans will be more motivated to turn out to the polls compared to Democrats who are already typically mobilized for presidential elections.

Rep. Riedel added that the sponsors feel they need more time to educate the public on their propositions than they would have if they targeted the 2018 ballot.

But there is one concern that could have merit, Rep. Becker acknowledged, and that's whether the private sector right-to-work resolution flies in the face of federal employment law. In talking with the Legislative Service Commission, he said, the answer to that question has remained unresolved.

"Is it a violation of federal labor law?" Rep. Becker asked. "It could be. It's not clear whether it is or isn't."

Health Plans Raise Privacy Concerns With Claims Information Bill

Health insurers and a patient advocacy group urged lawmakers Tuesday not to move forward with a proposal to give small employers access to certain health claims data, saying it could jeopardize employee privacy.

The groups testified against the bill (SB 227) before the Senate Insurance & Financial Institutions Committee.

The bill is designed to help small businesses make better decisions in buying insurance by giving them aggregate, de-identified information about claims made under their plans.

Miranda Motter, president and CEO of the Ohio Association of Health Plans, opposed the measure, saying it would require plans to disclose protected claims information to small employers.

The disclosures could allow employers to identify specific employees for whom the claims data relates, she said. The bill requires the disclosure of all potential catastrophic diagnoses and prognoses involving persons covered under the policy.

"Small employers with fully insured plans are generally not entitled to know about the medical diagnoses, prognoses, and treatment of employees, which is personal in nature, without the employee's consent and providing claims data to small employers raises privacy concerns for employees," she said.

Smaller employers are much more able to associate claims data with specific employees than large employers, Ms. Motter said.

Federal health privacy laws have strict requirements regarding when protected health information can be shared with employers, who are not directly regulated by HIPAA, she said.

"Given that employers are not directly subject to HIPAA, sharing health information with employers creates substantial privacy risks," she said. "In fact, these substantial risks are exactly why HIPAA created significant barriers to sharing PHI with employers."

Small group plans are also priced based on demographic factors, not claims data, meaning they don't need claims data in order to purchase and maintain coverage, Ms. Motter said.

OAHP is working with other stakeholder groups to develop policies aimed at reducing the cost of health care, and Ms. Motter urged the committee not to move forward with the bill yet.

Sen. Steve Wilson (R-Maineville) asked why the line between small and large employers was set at 50.

"The larger the employee group, the harder it becomes to re-identify, even in a de-identified way, the employee affected," Ms. Motter said.

Small employers could benefit from being able to compete directly against larger businesses in that market, Sen. Wilson said.

If health insurance costs are increasing, it's because the underlying cost of care is high, Ms. Motter said.

"Part of what our effort has been is if we're going to see insurance costs go down, we have to get at the underlying cost of health care," she said.

Holly Pendell, with the National Multiple Sclerosis Society, raised concerns that the bill would allow small businesses to identify employees with MS.

"Protecting against discrimination in employment and many other aspects of American life has been a core component of the education and understanding that the MS Society has promoted since our establishment," she said.

"I urge you to err on the side of the consumer today and of the protections given to them by law," she added. "We must not tip the balance away from comprehensive benefits and medical privacy protections and return to era where employees live in fear of being outed due to their medical diagnosis."

Senate Democrats Scrutinize SNAP Fraud Bill

Democrats questioned a bill intended to reduce fraud in the food stamp program by requiring photos on benefit cards as the measure had its first hearing in the Senate Tuesday.

The sponsor of the bill (HB 50) told the Senate Health, Human Services & Medicaid Committee that it wouldn't reduce benefits, but would deter recipients from selling or trading cards.

Rep. Tim Schaffer (R-Lancaster) said the bill is designed to protect the integrity of the Supplemental Nutrition Assistance Program, deter trafficking in SNAP cards and preserve funds for those in need.

The bill stems from an audit of the SNAP program by State Auditor Dave Yost that found weaknesses. Those included excessive balances in accounts, unusual transactions, 36 deceased recipients and more than \$28.7 million in out-of-state spending.

The measure would require that photos be added to EBT SNAP cards, safeguarding benefits of those who are legally entitled to them and deterring and detecting crime where cards are sold or traded, Rep. Schaffer said.

"SNAP is an important safety net for those in Ohio who have fallen on rough times, and I believe that a vast majority of individuals enrolled in the program need the benefits," he said. "As lawmakers, we have a responsibility to assure program integrity."

The bill includes exemptions to the photo requirement for adults 60 and older, blind and disabled citizens, victims of domestic violence or people with a religious objection to being photographed.

Retailers would not be required to check the photo ID at check-out, nor would they be allowed to hinder or prevent anyone's purchase because of the photo ID. Retailers would be able to call a phone number to report suspected fraud.

The bill also includes an opt-in provision for any adults exempted from the photo requirement who wish to have a photo on their cards, and allows the Bureau of Motor Vehicles to share photos on file. Both of those provisions were added in committee in the House.

Sen. Edna Brown (D-Toledo) said she was confused about the need for the bill. She asked about the provision that would prevent clerks from interfering with transactions.

The sponsor said the presence of a photo would deter people from trading or selling the cards, and that it would make it easier for drug investigators who find stacks of EBT cards at drug houses.

"This is just another layer of security," he said. "Frankly, this is not going to be a cure-all bill to solve all fraud. But it'll be a big deterrent and it'll cut a big hole in the crime that's going on."

Sen. Brown asked why the presence of names on EBT cards doesn't deter sales or trading.

Rep. Schaffer said he believed photos would provide additional deterrents.

Sen. Brown said law enforcement officers can already track EBT cards back to their owners if they are found.

"If we want to try to curtail misuse of these cards, I'm willing to work with anyone who wants to curtail it, but putting a photo on it is not the way to do it," she said.

Sen. Charleta B. Tavares (D-Columbus) said the bill implies that people whose cards are found in the possession of drug dealers are involved in drugs or are selling them.

"That is not evidence that that person is involved in drugs," she said. "There are many cards that are stolen out of mailboxes. There are many drugs that are stolen out of purses, or out of cars. They're stolen or they're lost."

Rep. Schaffer said the vast majority of beneficiaries need the program, and he wouldn't support a bill that curtailed benefits to people who need help. The bill is designed to address the issue of fraud and ensure benefits are going to the right people, he said.

Sen. Tavares said many retail grocers are moving away from clerks and toward self-serve kiosks, where nobody will look at cards.

"How do you justify continuing when movement is to do away with clerks in our retail chains?" she asked.

The sponsor said clerks don't have a role unless they suspect fraud.

"It's a lot about deterrent," he said.

Telecom Update Would Drive Investment, Industry Group Says

The Ohio Telecom Association and its members on Tuesday told a panel of lawmakers that Ohio is overdue for a comprehensive update of telecom laws.

Their testimony, delivered before the House Public Utilities Committee, centered on a bill (HB 402) from Rep. Brian Hill (R-Zanesville) that aims to boost the competitiveness of local telephone providers. (See Gongwer Ohio Report, November 13, 2017)

The bill's major change would enable carriers to pursue from the Public Utilities Commission of Ohio rate increases of \$1.25 a month or 20% depending on which is higher. Currently, those providers in competitive areas can seek increases of only \$1.25 a month.

OTA President Charles Moses described the sector as a "dynamic industry that continues to change every day" - a description spelled out in a 2017 study released by the group that prompted the bill. (See Gongwer Ohio Report, October 20, 2017)

"In this type of environment, it is hard for laws and regulations to keep up," Mr. Moses said. "Traditionally, Ohio has been a leader in progressive telecom policy. However, it has been eight years since the last major update to Ohio's telecommunications laws took place."

The Ohio Consumers' Counsel, however, has already called for the bill to be rejected, arguing it would "favor telephone companies against the interest of Ohio consumers, including by allowing 20% annual increases for basic phone service."

The proponents, in turn, argued that companies are incentivized not to raise rates too high because customers will simply seek out other service providers.

"No one is interested in losing customers," OTA General Counsel Scott Elisar told lawmakers.

Rep. John Rogers (D-Mentor-on-the-Lake) questioned how much this might cost consumers. Mr. Elisar provided a few specific companies as examples, saying on average it would amount to a few dollars a year.

Mr. Elisar called the bill "an effort to update old laws, modernize state policy, and level the playing field for all providers in response to explosive competition we've seen in the past decade."

The OTA suggested the bill would: provide additional pricing and regulatory flexibility, mirror Ohio law with federal guidelines, and "clean-up" items from the prior legislative overhaul (SB 162, 128th General Assembly).

Specific policy updates included in the bill, according to Mr. Elisar, include:

- Updating the state's policy statement to recognize emergence of competition and market forces.
- Expanding 911 immunity to include corporate parents and affiliates.
- Eliminating treble damages remedy against telephone companies while ensuring telephone companies remain liable for actual damages.
- Providing that no provision of the bill affects existing contractual obligations or rights under federal law or rules.

Josh Motzer, public policy director for CenturyLink, said the bill will provide a "pathway for future technology investments here in the state."

And Bruce Mottern, chairman of the Rural Broadband Association, said it's critical to eliminate competitive advantages among certain carriers. The bill, he said, would clear regulatory burdens from rural providers in order to better meet customer demands.

In addition to the \$1.25 or 20% increase, Mr. Mottern said, the bill will enable small local exchange companies to increase rates by any amount necessary to meet federal benchmarks. In that case, the PUCO could enact a three-year phase-in to lessen consumer impact, he said.

"This flexibility allows companies to manage their businesses based on operational, financial and competitive needs," he said. "There are plenty of alternative voice service providers in Ohio; the last thing a company wants to do is lose a valued customer."

Groups Call For More Specificity On Bail Assessment Tools

A bill designed to drastically overhaul the bail system in Ohio needs more work, members of the House Criminal Justice Committee were told Tuesday.

Representatives from the ACLU of Ohio and the Office of the Ohio Public Defender suggested several changes to the legislation (HB 439) requiring the Criminal Sentencing Commission to create a list of validated risk-assessment tools to be used by courts across the state in making decisions on bail.

But Niki Clum, legislative liaison for OPD, said not all risk-assessment tools are created equal.

She said Lucas County's use of the "Arnold Tool" has doubled the number of individuals released without monetary bail while also reducing pretrial crime and the number of individuals who fail to appear in court.

"Under the current language of the bill, the Sentencing Commission is not required to examine the risk-assessment tools and determine which are best," Ms. Clum said. "They are only required to provide a list of those that are validated. OPD is concerned that some risk assessment tools may contain implicitly biased questions that result in disproportionate outcomes based on race, ethnicity or gender."

Ms. Clum also called for the bill to require courts to set the least restrictive bail conditions and use monetary bail as a last resort.

Gary Daniels, chief lobbyist for the ACLU of Ohio, echoed those sentiments. He also called for the measure to eliminate monetary bail for all misdemeanor charges and some felony charges and for requiring the collection of race-based data.

"By tracking race of the accused, stakeholders can help determine where in Ohio, and by how much, Ohio's bail system and the changes HB439 creates, affects people of color," he said. "Flaws can also then be addressed and successes can be expanded. Collecting race data throughout Ohio's justice system is already severely lacking. With HB439, we can make progress in one aspect."

But Ms. Clum and Mr. Daniels said that, minus any changes, the bill is still an improvement over the current system. Both testified as interested parties.

Daniel Dew, legal fellow at the Buckeye Institute, warned in interested party testimony that the \$2 billion per year bail bond industry will likely push back against the bill.

"How pretrial detention decisions are made is left to the state," he said. "The goal of a pretrial system should be to release as many defendants as safely as possible before trial, and for defendants to show up for court."

Rep. Bill Seitz (R-Cincinnati) questioned how much an ability to pay should be weighed in bail decisions.

Mr. Dew said that is just one factor to be taken into consideration. He said under current law, courts will set an extremely high bail for individuals deemed to be dangerous with the hope that they cannot pay.

"Not only does this make it more fair, it takes judges and prosecutors out of the position of asking for a \$2 million bail knowing somebody isn't going to make it," he said.

Rep. Seitz also questioned how effective the risk-assessment tools are in lowering failure to appear rates.

Mr. Dew said in every study he has read the rate has been the same or lower.

Sara Andrews, director of the Criminal Sentencing Commission, said the bill reflects the recommendations of an Ad Hoc Committee on Bail and Pretrial Services that was formed in 2016.

"Those recommendations are designed to be holistic and focus on achieving consistency, fairness and efficiency in the pretrial system while decreasing the reliance on monetary bail," she said in proponent testimony. "As such, the use of a validated risk assessment instrument to inform release or detain decisions - realizing that bond should be 'risk' based and not 'charge' based - is recommended. The use of a risk assessment tool is one more resource a judge can use to inform decisions and ensure equity in all steps of the bail-setting process."

Rep. Seitz raised several concerns with the bill, including what he called an "impenetrable black box" in the form of the "Arnold Tool" used in Lucas County.

Ms. Andrew said that may have been the case at one time, but that has since changed. "I believe that it is more accessible and publicly available," she said.

The panel also received proponent testimony from FreedomWorks and the American Conservative Union Foundation.

Patrick Plein, a policy analyst at the ACUF's Center for Criminal Justice Reform, said studies have found that the likelihood of being rearrested or recidivating increases when an individual is held in pretrial confinement.

"The impact of this worrisome trend goes far beyond any one defendant," he wrote. "Anything that encourages recidivism means another crime, which is another victim, another prosecution, and another cost to be borne by the public. The current system in Ohio does just that. As a result, Ohioans are paying more in taxes for less public safety, because of the current approach to bail."

Parma Municipal Court Judge Kenneth Spanagel also provided written interested party testimony in which he urged the panel to move the bill.

ECOT Appeals Closure, Says Founder Will Waive Fees To Prevent Budget Shortfall

The Electronic Classroom of Tomorrow is appealing the decision that shut it down, saying it could remain fiscally stable through the end of the school year by no longer paying management and learning platform fees.

The e-school's sponsor, Educational Service Center of Lake Erie West, voted last week to suspend operations of the school amid financial concerns.

ECOT is strapped for cash because it's repaying the state for \$80 million in overpayments tied to attendance audit findings, which are being disputed in a lawsuit pending before the Ohio Supreme Court.

In its latest appeal, ECOT said its founder Bill Lager, who owns the management company and learning platform used by the school, has agreed to forgo payment for the

rest of the year to allow the school to reopen and finish out the academic year in the black.

Also part of the deal is continued monthly repayments to the state and an agreement that an interim master could be appointed by a court to oversee ECOT operations through the end of the school year.

"This is truly the best option for the thousands of ECOT families who have been grappling with this devastating news that their school would be closing its doors mid-year," ECOT spokesman Neil Clark said. "This plan effectively gives supervision of the school to a court-appointed master to ensure the school continues out its mission for a few more months while we wait for a favorable response from the Ohio Supreme Court."

Mr. Clark also took a shot at the Department of Education, which rejected a similar deal immediately prior to the sponsor's vote to shut down the school last week. That proposal also promised that ECOT wouldn't file any future lawsuits against the agency regarding attendance audits.

"Bill Lager suspending his fees through June shows another attempt to keep ECOT alive. It is unfathomable that the powers at be at ODE and the Governor's office aren't protecting ECOT students and families," he said.

ODE Spokeswoman Brittany Halpin defended the agency's handling of the situation, saying that it has attempted to work with ECOT for the last two years to resolve issues related to overpayment and full-time attendance audits.

It has become clear in that time, she said, the school and its backers have never intended to accurately report student participation, which determines funding.

A hearing officer this week confirmed the latest audit report findings that show the school over reported the number of full-time students again last school year. The State Board of Education is expected to vote to approve that report, which cites \$20 million in overpayments, at its February meeting.

"Based on their actions, the department has no confidence that ECOT intends to follow the law. We're disappointed that ECOT and its for-profit vendors, IQ Innovations and Altair Learning Management, continue to prioritize their monetary gain over the best interests of 12,000 students," Ms. Halpin said in a statement.

However, lawmakers on Tuesday also called on the state to step in to keep ECOT open until June, giving students and teachers time to evaluate their options for moving on to a new school next year.

They stressed that every day the school is closed, 12,000 students - including more than 2,200 seniors who were on track to graduate this spring - are falling farther behind in their schooling.

"It would be ideal if we could finish the school year," Rep. Andy Thompson (R-Marietta) said during a Statehouse news conference.

Rep. Andy Brenner (R-Powell), chairman of the House Education and Career Readiness Committee, said there's also concerns about ECOT teachers who will have difficulty finding work mid-year.

Like Mr. Clark, he said ODE could have prevented the midyear closure of the school by setting up a different repayment plan.

"While it's not the department's responsibility to close the school but that of the school sponsor, the department created the environment that caused the school to close midyear," Rep. Brenner said. "This is not to say that ECOT wasn't responsible for their actions, but the midyear closing could have been mitigated or prevented."

Rep. Brenner said he's working on legislation that would "prevent this from happening again."

The potential bills could prohibit the department from setting retroactive rules and require it to use forensic accounting and other options for determining whether students were active in learning opportunities when log-in records can't be produced, he said.

He said he'd also like to ensure that schools don't close in the middle of the year and ODE has firm plans in place to assist displaced students and teachers when schools do shut down.

"Every day that they're not in school is another day that they're not able to learn and be able to go and potentially this graduate...or go on to the next school year," Rep. Brenner said of currently displaced ECOT students.

ECOT Assistant Principal Laura Beth McNamara said the school could resume operations immediately if the sponsor accepts the deal brought forward Tuesday.

"The student accounts are still there, most of them still have their equipment. We haven't had a chance to gather up 12,000 computers yet," she said.

She and the Ohio Christian Alliance have reached out to Gov. John Kasich and asked him to intervene and press the sponsor and ODE to consider options to keep ECOT open for the remainder of the school year.

"There is a way forward," OCA President Chris Long said before delivering his letter to the governor's office.

The governor told reporters last week that it wouldn't be appropriate for him to advise ODE on how to respond to the situation.

The superintendent of public instruction, who leads the agency, is not in the governor's cabinet and is instead hired by the State Board of Education to serve independently of the administration.

"It is up to them to manage this, to have a situation where if the sponsor pulls (its support)...that they're prepared to be able to absorb these students," Gov. Kasich said at the time. "We've told them that on a regular basis without getting in the middle of negotiations. We don't believe it's our job to do that. It's not appropriate."

High Court Sides With Arrestee In Dispute Over Purse Search

The Ohio Supreme Court on Tuesday ruled the warrantless search of a woman's purse was unconstitutional.

Writing for the majority, Justice Bill O'Neill found that the search, which turned up drugs, was not justifiable.

The case stems from the 2014 arrest of Jamie Banks-Harvey in Warren County after she was stopped by an Ohio State Highway Patrol officer and was found to have outstanding warrants on drug charges out of Montgomery County, the high court's media arm reported.

After she was detained and placed in a cruiser, the patrolman removed her purse from the vehicle she was driving, searched it and found drugs. Ms. Banks-Harvey was charged with felony possession of drugs and misdemeanor possession of drug paraphernalia.

She pleaded no contest to both charges after an unsuccessful attempt to suppress the evidence. She was sentenced to three years community control.

She appealed the trial court's decision not to suppress the evidence to the Twelfth District Court of Appeals, which upheld the ruling on the grounds that the OSHP has a policy of inventorying the belongings of an arrested person.

But Justice O'Neill found that both courts erred in their decisions.

"The question in this case is not whether the purse was taken from the car pursuant to a standardized law-enforcement policy, but whether such a policy was sufficient justification for the warrantless retrieval of the purse from the car," he wrote. "We conclude that it was not and therefore that the subsequent search of the purse did not qualify as a valid inventory search, because the purse had not lawfully come into the custody of the police."

He was joined in his decision by Justice Judith French and Justice Patrick Fischer. Justice Sharon Kennedy concurred in judgement only.

In her written opinion, Justice Kennedy noted that a local police officer showed up at the scene to take Ms. Banks-Harvey into custody.

"Even when a standardized procedure or policy permits an inventory search of an arrested person's effects incident to incarceration, it is unreasonable, within the context of the Fourth Amendment, for a law-enforcement officer to execute that inventory search when he is not taking the arrested person to a station house for booking and incarceration," she wrote.

"Moreover, it is unreasonable, within the context of the Fourth Amendment, for a law-enforcement procedure or policy to give an officer discretionary authority to take personal effects that are not in an arrestee's possession at the time of arrest and are safely secured be retrieved and taken to the station house, where they will be subject to an inventory search."

In a dissenting opinion joined by Chief Justice Maureen O'Connor, Justice Patrick DeWine found the search to be lawful.

"Here, despite the attempts to cast aspersions on the trooper's motivation, there is no evidence that the trooper's primary purpose was other than to secure the purse so that it could accompany Banks-Harvey to the station," he wrote. "That he was also on the lookout for illegal items does not render the inventory search unreasonable."

Justice Terrence O'Donnell also dissented, finding the case was improvidently allowed, saying "the Ohio State Highway Patrol policy is not in evidence, the case is factually specific, and no general rule of law can be formulated from its resolution."

Ohio Business: P&G Reports Sales Increase; Banks Report Year-End Financial Results...

Procter & Gamble saw net sales of \$17.4 billion in the second quarter, up by 3% from the previous year.

Organic sales were integral in the gain, increasing by 2% in the quarter ended Dec. 31, P&G reported. Diluted net earnings for all sales were \$0.83, a decline of 68% compared to the prior year due to a divestiture gain in the base period and a current period net income tax charge related to a federal tax package.

Operating cash flow was \$3.7 billion for the quarter, while adjusted free cash flow productivity was 91%, the Cincinnati-based company said. It returned \$3.6 billion of cash to shareholders via \$1.8 billion of dividend payments and \$1.8 billion of common stock repurchase.

"We accelerated organic sales growth and delivered strong productivity cost savings and cash flow," Chairman, President and CEO David Taylor said in a statement. "We remain on track to achieve our fiscal year objectives."

Huntington: The Columbus-based company saw a 67% increase in net income, which came in at \$1.2 billion for 2017. Earnings per common share for the year were \$1, up 43% from the prior year.

Return on average assets for year ended Dec. 31 was 1.17%, while return on average tangible common equity was 15.7%, the bank reported. Total revenue increased 22% compared to the previous year.

The results exclude about \$152 million pretax of FirstMerit acquisition-related expenses, or \$0.09 per common share after tax, and an estimated tax benefit of \$123 million, or \$0.11 per common share, related to federal tax reforms enacted in December.

"We achieved our long-term financial goals for Return on Tangible Common Equity and Efficiency Ratio on a GAAP basis for the first time," chairman, president and CEO Steve Steinour said of the final quarter of the year. "In fact, during the fourth quarter, we achieved all five of our long-term financial goals. In addition, we recently began the strategic planning process that later this year will yield new long-term financial goals for the company."

Community Investors Bancorp: The parent company of First Federal Community Bank of Bucyrus reported net earnings of \$561,000, or \$0.71 per share for the second half of 2017. The total represents a \$45.3% increase from the same period in 2016.

Total assets as of Dec. 31 were \$145 million, which is an increase of \$1.6 million from June 30, the company announced. Meanwhile, investments increased by \$500,000 and the allowance for loan loss increased by \$135,000.

First Financial: For the three months ended Dec. 31, the company reported net income of \$24.8 million, or \$0.40 per common share, which is unchanged from the previous quarter.

Return on average assets for the fourth quarter was 1.13% while return on average tangible common equity was 13.85%.

In 2017, the company had earnings per diluted share of \$1.56 compared to \$1.43 for 2016, it reported.

Peoples Bancorp: The company posted a record full-year net income of \$38.5 million, or \$2.10 per diluted share. In the fourth quarter, the company reported net income of \$9 million, or \$0.49 per share.

"Earnings per diluted common share for the full year of 2017 were positively impacted by \$0.10 due to gains on sales of bank equity investment securities, and negatively impacted by \$0.02 due to non-core charges and \$0.05 due to the recently enacted Tax Cuts and Jobs Act," according to a company release.

Arts Award: Heartland Bank and the J.M. Smucker Company are set to be recognized at the 2018 Arts Day & Governor's Awards for the Arts in Ohio ceremony in May.

They're among nine winners of the governor's awards for supporting the arts. Heartland Bank is to be recognized in the category of small businesses that support the arts and Smucker's will take home the award as a large company that supports the arts.

"The 2018 Governor's Awards winners are true innovators and leaders in their communities. They exemplify Ohio's creative and forward-thinking spirit. On behalf of the Ohio Arts Council, I congratulate this year's group of individuals, organizations, and businesses on earning our state's most prestigious artistic and cultural achievement," said Donna S. Collins, executive director of the Ohio Arts Council.

Gongwer Unveils Text Alerts for Bill Tracking, Breaking News, Other Messages

Gongwer News Service today launched new services that allow subscribers to receive bill tracking alerts, breaking news updates and other key Gongwer products via text message.

To activate text alerts, subscribers should log in to their accounts, click on their name in the banner and select Update Profile. Next, enter your mobile number and carrier, and select the alerts and messages you want to receive via text. Once your preferences have been set, click the Update button at the bottom of the box.

The system allows subscribers to request text notifications regarding the publication of the *Gongwer Ohio Report*, breaking news updates, media clips and legislative floor reports. Subscribers can also request real-time bill tracking alerts or a daily summary of activities on all bills that are being tracked.

Alert preferences can be changed at any time.

Due to limitations on the size of text messages, all text-based alerts will include a summary of the message received and a link to the full content of the message.

The new services are available to subscribers at no additional cost.

All Gongwer accounts include access to the leading bill tracking system that offers real-time alerts on legislation of interest. Subscribers can track by bill number, keyword, sponsor and Revised Code section and can also receive alerts based on legislative activity, committee scheduling and subject area. All bill tracking features, which include customizable bill status reports that can be shared with members and clients, are available on Gongwer's Bill Tracking page.

For questions about Gongwer bill tracking services, contact Gongwer at gongwer@gongwer-oh.com or 614.221.1992.

Governor's Appointments

State Speech and Hearing Professionals Board: Lisa A. Froehlich, PhD of Lebanon for a term beginning January 23, 2018, and ending March 22, 2020.

State Board of Cosmetology: Jessica Price-Kovach of Galloway for a term beginning January 23, 2018, and ending October 31, 2021.

Cuyahoga Community College Board of Trustees: Andrew E. Randall of Cleveland for a term beginning January 23, 2018, and ending October 12, 2022.

Supplemental Event Planner

Wednesday, January 24

Rep. Scott Lipps (R-Franklin) and Rep. Thomas West (D-Canton) and Ohio Pharmacists' Association news conference on prescription drug legislation, Press Briefing Rm., Statehouse, Columbus, 11:30 a.m.

Thursday, February 15

Kevin Bacon (R-Candidate 12th Congressional District) fundraiser, Onda, Labuhn, Rankin & Boggs, 35 N. Fourth St., Suite 100, Columbus, 5 p.m., (RSVP to laura.bates.oh@gmail.com or 586.610.1040)

Wednesday, February 21

Ohio Alliance of Boys & Girls Clubs' Statehouse Reception, Statehouse Atrium, Columbus, 4:30 p.m.

Rep. Richard Brown (D-Canal Winchester) fundraiser, Club 185, 185 E. Livingston Ave., Columbus, 5:30 p.m., (Sponsor \$1,000, Host \$500, Friend \$250 to Citizens for Richard Brown. RSVP with Jenna Gravalis at 551-427-9895 or jgravalis@ohiodems.org)

Thursday, February 22

Kevin Bacon (R-Candidate 12th Congressional District) fundraiser, Medallion Club, 5000 Club Dr., Westerville, 6:30 p.m., (RSVP to laura.bates.oh@gmail.com or 586.610.1040)

Tuesday, February 27

Rep. Glenn Holmes (D-McDonald) fundraiser, Westies Gastropub, 940 S. Front Street, Columbus, 5:30 p.m., (Sponsor \$1,000, Host \$500, Friend \$250 to Committee to Elect Glenn Holmes. RSVP with Jenna Gravalis at 551-427-9895 or jgravalis@ohiodems.org)

Wednesday, February 28

Ohio Farm Bureau Ag Day at the Capital, Sheraton Hotel, 75 E. State Street, Columbus, 9 a.m.

Wednesday, March 7

Rep. Michael Sheehy (D-Oregon) & Rep. Michael O'Brien (D-Warren) fundraiser, Club 185, 185 E. Livingston Ave., Columbus, 5:30 p.m., (Sponsor \$1,000, Host \$500, Friend \$350 to Committee to

Elect Michael Sheehy and Committee to Elect Michael O'Brien. RSVP with Jenna Gravalis at 551-427-9895 or jgravalis@ohiodems.org

Tuesday, March 13

House Minority Leader Fred Strahorn (D-Dayton) fundraiser, The Walrus, 143 E. Main St., Columbus, 5 p.m., (Sponsor \$2,500, Host \$1,000, Guest \$500, Friend \$350 to Committee to Elect Fred Strahorn. RSVP with Amy Katrak at 614-420-1269 or akatrak@ohiodems.org)

Wednesday, March 21

Rep. Tavia Galonski (D-Akron) fundraiser, Westies Gastropub, 940 S. Front Street, Columbus, 5:30 p.m., (Sponsor \$1,000, Host \$500, Friend \$250 to Friends of Tavia Galonski. RSVP with Jenna Gravalis at 551-427-9895 or jgravalis@ohiodems.org)

Wednesday, April 11

Rep. Bernadine Kent (D-Columbus) fundraiser, Einstein Bros. Bagels, 41 S. High Street, Columbus, 8 a.m., (Sponsor \$1,000, Host \$500, Friend \$250 to Kent for Ohio. RSVP with Jenna Gravalis at 551-427-9895 or jgravalis@ohiodems.org)

Tuesday, May 15

Rep. John Rogers (D-Mentor-on-the-Lake) & Rep. John Patterson (D-Jefferson) fundraiser, Club 185, 185 E. Livingston Ave., Columbus, 5:30 p.m., (Sponsor Levels: Sponsor \$1,000, Host \$500, Friend \$350 to Friends of Rogers and Committee to Elect John Patterson. RSVP with Jenna Gravalis at 551-429-9895 or jgravalis@ohiodems.org)

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Click the  after a bill number to create a saved search and email alert for that bill.

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House Activity for Tuesday, January 23, 2018

INTRODUCED AND REFERRED

- HB 478** ■ **WIRELESS SERVICES** (Smith, R., LaTourette, S.) To modify the law regarding wireless service and the placement of small cell wireless facilities in the public way. Am. 4939.01, 4939.02, 4939.03, 4939.031, 4939.035, 4939.038, 4939.0311, 4939.0313, 4939.0315, 4939.0319, 4939.0321, 4939.0325, 4939.04, and 4939.08; to amend, for the purpose of adopting new section numbers as indicated in parentheses, sections 4939.035 (4939.036), 4939.038 (4939.037), 4939.039 (4939.038), 4939.0313 (4939.0312), 4939.0315 (4939.0313), 4939.0317 (4939.0315), 4939.0319 (4939.0316), 4939.0325 (4939.0322), and 4939.0327 (4939.0323) and to enact new sections 4939.039 and 4939.0317 and sections 4939.0314, 4939.0329, and 4939.09, and to repeal sections 4939.032, 4939.033, and 4939.037
Government Accountability & Oversight
Gongwer Coverage

INTRODUCED

- HB 473** ■ **LOCAL FUNDING** (Young, R.) To credit additional amounts to the Local Government Fund to provide for payment to fire districts that experienced a 30% or more decrease in the taxable value of power plants located in the districts between 2016 and 2017 and to increase the appropriation to the Local Government Fund. Am. 5747.50 of the Revised Code and to amend Section 387.10 of Am. Sub. H.B. 49 of the 132nd General Assembly

- HB 474** ■ **LICENSE PLATE** (Antani, N.) To create the "Trees 4 Ohio" license plate. Am. 4501.21 and to enact section 4503.941

- HB 475** ■ **SKATEBOARDING** (West, T.) To prohibit a person riding a skateboard or the operator of a vehicle from attaching the skateboard or the rider to the vehicle and to name this act the "Dallas Swogger Act." Am. 4511.54

- HB 476** ■ **ORGAN DONATIONS** (Koehler, K.) To require the Registrar of Motor Vehicles and each Deputy Registrar to ask each person renewing a motor vehicle registration if that person wants to make a voluntary contribution to

the Second Chance Trust Fund. Am. 2108.34, to enact section 4501.027, and to repeal sections 4506.081, 4507.231, and 4507.501

- HB 477** ■ **SCHOOL OPERATIONS (Koehler, K.)** To eliminate various provisions and programs related to the Department of Education and the operation of primary and secondary schools. Am. 109.57, 2917.46, 3301.133, 3302.26, 3313.71, and 3313.753 and to repeal sections 3301.073, 3301.0722, 3301.111, 3301.21, 3301.25, 3301.86, 3301.88, 3301.95, 3301.96, 3302.037, 3302.30, 3311.061, 3313.206, and 3313.711

CALENDAR FOR COMING SESSION

- HB 172** ■ **MEDICAL RECORDS (Schuring, K.)** To modify the laws governing access to a patient's medical records.
Wednesday, January 24

- HB 250** ■ **ELECTRIC BICYCLES (Brinkman, T.)** To establish requirements for the use of electric bicycles.
Wednesday, January 24

- HB 332** ■ **ANATOMICAL GIFTS (Antani, N.)** Regarding anatomical gifts, transplantation, and discrimination on the basis of disability.
Wednesday, January 24

- SCR 8** ■ **MISSILE DEFENSE (O'Brien, S., Eklund, J.)** A resolution to urge the United States Missile Defense Agency to select Camp Ravenna Joint Military Training Center in Ravenna, Ohio, as the preferred site for a future east coast Missile Defense system.
Wednesday, January 24

REREFERRED

- HB 58** ■ **CURSIVE HANDWRITING (Brenner, A., Slaby, M.)** To require instruction in cursive handwriting.
Higher Education & Workforce Development

REFERRED

Armed Services, Veterans Affairs & Homeland Security:

- SB 81** ■ **FIREARMS** (Terhar, L.) To waive the concealed carry license fee for active members of the armed forces and retired and honorably discharged veterans, to accept military experience with firearms as proof of competency with firearms regardless of when the applicant for a license acquired the experience, to permit a licensee to renew a concealed handgun license at any time before the expiration of the license, and to require the Attorney General to monitor the number of license fees waived and cap the total amount allowed to be waived at \$1.5 million.
- HB 468** ■ **MILITARY LEAVE** (Perales, R., Boyd, J.) To grant full-time state employees paid leave for the purpose of attending medical examinations and appointments provided through the United States Department of Veterans Affairs.

Energy & Natural Resources:

- HB 463** ■ **WASTE FEES** (LaTourette, S.) To increase one of the state fees levied on the transfer or disposal of solid waste in Ohio, the proceeds of which are deposited into the Soil and Water Conservation District Assistance Fund, and to make an appropriation.

Government Accountability & Oversight:

- HB 466** ■ **ELECTIONS CYBERSECURITY** (Clyde, K.) To establish a Director of Elections Cybersecurity and an Elections Cybersecurity Council to advise the Secretary of State on securing Ohio's elections and preventing future threats.
- HB 467** ■ **ELECTION PROCEDURES** (Clyde, K.) To require the boards of elections to conduct audits of election results and, beginning in 2019, to use only voting equipment that produces voter marked and voter verified paper ballots.
- HB 469** ■ **TAX CREDIT** (Schuring, K., Patton, T.) To authorize a nonrefundable insurance company tax credit for contributions of capital to transformational mixed use development projects.

HB 471 ■ **OFCC AUTHORITY (Gonzales, A.)** To specify that the Ohio Facilities Construction Commission's powers do not extend to letting or administering contracts that fall under the power of the Department of Administrative Services to make changes to existing facilities.

Health:

SB 28 ■ **ABORTION (Uecker, J.)** Regarding final disposition of fetal remains from surgical abortions.

HB 464 ■ **STROKE PATIENTS (Lipps, S., Antonio, N.)** To provide for recognition of stroke centers and establishment of protocols for assessment, treatment, and transport to hospitals of stroke patients.

HB 465 ■ **MEDICAID DRUG BENEFITS (Lipps, S., Koehler, K.)** To provide for the prescribed drugs benefit to be delivered under the Medicaid program through the fee-for-service system.

State & Local Government:

HB 470 ■ **LIGHTING FUNDS (Edwards, J.)** To authorize a property tax levy specifically to fund lighting for roads and public places.

Transportation & Public Safety:

HB 472 ■ **ROAD NAMING (Cera, J.)** To designate a portion of State Route 164 in the Village of Bergholz as the "Pvt. David Rhoades Memorial Highway."

HOUSE SPEAKER'S APPOINTMENTS

Energy and Natural Resources Committee: Remove Rep. Vitale, effective January 22, 2018.

COMMITTEE HEARINGS

Finance

HB 281

BROADBAND EXPANSION (Carfagna, R.) To establish the residential broadband expansion program within the Development Services Agency to award matching grants for last mile broadband expansion in municipal corporations and townships and to make an appropriation. (**REPORTED-SUBSTITUTE (No testimony)**; 5th Hearing-All testimony-Possible substitute & vote)

The bill was reported following the acceptance of a substitute version that included a handful of substantive changes along with other updates that sponsor **Rep. Rick Carfagna** (R-Westerville) described as dealing mostly with "semantics" and cleanup language to avoid redundancies. He said the Legislative Service Commission **Comparison Document** on the sub bill covers those changes as well as a series of amendments accepted at the committee's last hearing.

As explained by the sponsor, the more significant changes incorporated Tuesday include:

- Allowing local governments that decide to fill funding gaps on their own to avoid seeking county approval.
- The creation of a "challenge process" for requests-for-proposals with a five-day period for providers to question guidelines.
- Language dealing with the treatment of proposals that allow for the redaction of "trade secrets."
- Providing for alternative payment terms rather than mandating that providers do not get fully paid until the projects are completed.
- Removal of regulations of rates and pricing.
- Clarifying that providers are responsible for upkeep upon completion of the infrastructure.
- Clarifying that the assessments provided for in the legislation only apply to specific broadband projects.

Mr. Carfagna told the panel that 55 interested parties have been kept informed throughout the process of the more recent changes and there were no objections raised regarding the sub bill. "We're doing our best to keep people abreast of what we're trying to accomplish here," he said.

In answering questions from the panel, the sponsor said: the bill contains adequate protections regarding assessments and the process of determining unserved areas; and the substitute's elimination of language specifying monthly usage and "roundtrip latency" standards was aimed at avoiding any "micromanaging" of service providers.

The sponsor said in an interview that the bill provides for the Development Services Agency to use \$2 million every biennium from unencumbered funds, language that required the bill's approval by the Finance Committee.

Among members present for the vote, only **Rep. Jim Butler** (R-Oakwood) and **Rep. Mark Romanchuk** (R-Mansfield) were opposed to the report.

The latter lawmaker in an interview cited a 10-megabyte download standard, saying he didn't want to be paying for "old technology" and noting that satellite providers already exceed such speeds.

Financial Institutions, Housing & Urban Development

HB 182 DEBT ADJUSTING (Seitz, B.) Regarding debt adjusting. (REPORTED; 5th Hearing-All testimony-Possible vote)

Before the bill was reported, Betty Montgomery, an attorney representing the American Fair Credit Council, told the panel that it will not allow for the unauthorized practice of law.

"Case law - both within this state and at the United States Supreme Court - has given us some direction when trying to determine whether or not certain behaviors constitute the practice of law," the former attorney general said.

Ms. Montgomery said the legislation will allow debt settlement companies to operate in Ohio the same way non-profit credit counseling agencies have for decades - with no objection from the bar, she added.

"This bill provides an opportunity for both clarity and fairness: Should this bill pass and the industry begins engaging with business in Ohio, it undoubtedly will be challenged once again," she said. "The industry will then have an opportunity to have full hearings, presenting persuasive evidence and argument to the Ohio Supreme Court, the proper forum for clarification regarding whether or not the debt settlement industry is engaged in the unauthorized practice of law."

The bill was reported in an 8-5 vote, with Rep. Jim Hughes (R-Columbus) joining Democrats on the panel in opposition.

HB 386 CREDIT FREEZES (Henne, M., Kelly, B.) To modify the fees that a credit reporting agency can charge in relation to a credit report freeze.

(CONTINUED (No testimony); 4th Hearing-All testimony)

HB 390 FORCIBLE ENTRY (Merrin, D.) To clarify how to calculate certain timelines under which a forcible entry and detainer action must occur. (CONTINUED; 4th Hearing-All testimony)

Dan Acton, government affairs director of the Ohio Real Estate Investors Association, said the measure is intended to standardize eviction laws throughout the state based on previous court rulings.

The legislation, he added, is needed because the calculation of days varies by county.

"Our investor members sometimes own property in multiple counties and the idea of attempting to interpret local laws for a legal action that should be consistent across the state is a recipe for failure and can lead to more complications for all parties involved," he said.

Under the measure, for the purposes of eviction, calendar days would be counted instead of business days.

"In any other contract related to a property whether it is for utility services, taxes paid, mortgages, or insurance, the service provider, or the government counts calendar days. The calculation of days for eviction should not be any different," he said.

HB 432 **STUDENT LOANS (Boggs, K., Kelly, B.)** To require student loan servicers to be licensed by the Division of Financial Institutions and to create the position of student loan ombudsperson in the Division of Financial Institutions to provide assistance to student loan borrowers. H. B. No. 433 - Representatives Kelly, Brinkman. (**CONTINUED**; 1st Hearing-Sponsor)

Rep. Kristin Boggs (D-Columbus) said in sponsor testimony that student loan borrowers rarely have the opportunity to vet the company servicing their student loans. "They are thrust into this relationship with a company that they did not necessarily agree to do business with, so the purpose of this bill is to prevent unscrupulous student loan servicing companies from taking advantage of student borrowers by misapplying payments or misrepresenting their practices," she said.

In addition to creating a student loan ombudsperson within the Department of Commerce, the bill would enhance oversight of student loan servicers operating in the state.

Fellow sponsoring **Rep. Brigid Kelly** (D-Cincinnati) said 11 other states have taken similar steps.

"We believe this bill will ensure student loan borrowers and their families receive levels of services and protection that are standard for other financial contracts, but not currently guaranteed under federal law for student loan servicers," she said.

"Notably, this legislation does not require banks or credit unions to obtain a license because similar federal regulations for these companies already exists. Our goal is to make the playing field even across the board, and make sure that Ohioans get the same level of services and protections regardless of who is servicing their student loans."

Asked by chairman **Rep. Jonathan Dever** (R-Cincinnati) about DOC's position on the bill, Rep. Boggs said those discussion have yet to take place.

Subscriber's Note: For full written testimony, see the [committee's website](#) under Jan. 23. **Energy & Natural Resources**

HB 393 **BRINE SALES (DeVitis, T., O'Brien, M.)** To authorize a person to sell brine derived from an oil and gas operation that is processed as a commodity for use in surface application in deicing, dust suppression, and other applications. (**CONTINUED-AMENDED**; 3rd Hearing-All testimony-Possible vote)

Rep. Jay Edwards (R-Nelsonville) won support for an amendment that requires the collection of samples, rather than making the collection optional. The change, he said, is expected to move the Ohio Environmental Council from an opponent to an interested party. Melanie Houston of the Ohio Environmental Council Action Fund followed that action with interested party testimony. She said the amendment represents a big step, but the group is still concerned about metals and radioactive materials.

She said the group supports the goal of recycling oil and gas brine outside of injection, but raised concerns that it doesn't include a process that ensures protection of public health, safety and the environment.

To earn the group's support, she said lawmakers would either need to require satisfactory test results regarding radiological materials and heavy metals or establish a regular testing protocol by a lab equipped for those tests.

"We understand that this is a tall order," she said. "We understand that the company is a small business owner in northeast Ohio with a product that works well to treat ice and snow on our roads, and we appreciate the need for safe car travel throughout the state. We understand that there are competing public health priorities and that de-icing roads is essential to keep our communities safe and functioning throughout the winter months." "The OEC Action Fund understands that you also may prioritize the public safety goal of adding another deicing product to the market over the public safety goal of minimizing radiological and heavy metal content that is brought to the surface through resource extraction."

She also called on lawmakers to have the manufacturer demonstrate that the product is safe and is not radioactive.

"While we have heard about the efficacy of the product to treat ice and snow, we have not yet seen the lab analyses to demonstrate that there are no NORM or heavy metals present in the product," Ms. Houston added.

Rep. Dick Stein (R-Norwalk) asked whether the group is opposed to the current use of the product on some roads across the state.

Ms. Houston acknowledged that the product is being used, but said the authorization came from a divisional order rather than the enactment of law. She said passage of a bill could lead to much wider use, including sales for personal use.

Rep. David Leland (D-Columbus) asked how long the product has been in use in Ohio.

Ms. Houston said it dates to about 2004, when an order was issued by the chief of the Division of Oil & Gas. She told Mr. Leland she does not have any data about the condition of soil near where the product has been used, but said DNR may have that information.

Bill Rish of ToxStrategies lent support for the bill, telling the panel that Nature's Own and Duck Creek Energy asked him to consider whether the use of AquaSalina for deicing roads present significant ecological or health risks.

He said his research has shown that the product will not create unacceptable ecological or human health risks and has impacts that are much lower than the use of rock salt.

"I found that laboratory data demonstrate that the use of AquaSalina will not result in exceeding Ohio surface water criteria for protection of aquatic species or protection for agricultural use of surface water for any of the substances present in the product," he said. "I also found that laboratory data for the content of AquaSalina, when compared to my published study, show that AquaSalina will not result in risk to drinking water, even if an adult or child drinks from a shallow well near the location that AquaSalina is applied. In fact, I expect that this drinking water pathway is unlikely to exist."

That process included a review of third-party and independent certification agencies, as well as academic institutions and the Pennsylvania Department of Environmental Protection, he said, adding that the Pennsylvania-style brine has much higher radiological levels than AquaSalina.

Responding to questions, Mr. Rish said studies have shown that even a person who would be most exposed to the product from all potential channels would likely only reach 1/100th of a what would be considered a maximum acceptable level.

Rebecca Clutter of NARO Appalachia in written testimony questioned whether the panel has considered mineral owners as part of the debate on the bill, noting that the state itself is a large-scale mineral owner.

"On the surface, this issue is about a single corporation seeking to use recycled brine for use in road applications," she said. "The bigger issue is that the filtered brine kicks back Rare Earth Elements (RRE) from privately owned mineral sources. Specifically we are seeing a high degree of interest regarding Lithium filtered from not only brine, but from coal ponds as well."

"The responsibility to protect private property rights regarding mineral assets inclusive of REE's belongs to all of you," she said. "Our ask is that should brine be listed as a commodity, that it also be looked at from the perspective of how the mineral owner, including the State of Ohio, would be properly compensated and that discussions on this include mineral owners and not simply those tied to industry."

Adam Rissien of the Ohio Sierra Club offered written opponent testimony, saying the bill could lead to the contamination of rivers, streams and lakes.

He said the bill includes language that shows an intent to make brine waste safe for commercial use, but doesn't include direction that could prevent environmental- or health-related issues.

Mr. Rissien said the Ohio Department of Transportation doesn't have testing protocols or a process to ensure the safety of brine waste products, and isn't the right agency to protect natural resources or health.

Processed brine can continue to include heavy materials and radiologicals that could create unnecessary environmental risks, and said the bill doesn't include anything that ensures the safety of processed brine, he wrote. He also raised concerns about provisions that he said "egregiously" limit the authority of state officials to establish rules or additional requirements regarding the substance.

Robbin Rogers of Medina County Together also submitted written opponent testimony. She said the oil and gas industry has worked to block environmental and health protections. "Today you have an opportunity to take one step-not even a bold step against the fossil fuel industry-but an important step nonetheless," she said. "And it involves supporting a legislature that bucked the national trend and implemented changes to regulations concerning transporting, dispersing, and labeling of products originating or manufactured from fossil fuel brine."

HB 422 **WATER SEWER ACQUISITIONS** (Ginter, T., Rogers, J.) To govern acquisitions of municipal water-works and sewage disposal system companies by certain larger nonmunicipal water-works or sewage disposal system companies. (**CONTINUED**; 3rd Hearing-All testimony)

Daniel Shields, director of the analytical services department at the Ohio Consumers' Counsel, presented written opponent testimony.

"This concern includes that the bill would undermine the long-time protection of ratemaking statutes that Ohio utility consumers should not pay rates based on more than the original cost of acquiring utility plant (assets)," he said. "The use of original cost for ratemaking is fair

to utilities and to consumers, but the bill would redefine original cost in a way that can lead to higher rates for consumers."

Subscribers please note: Testimony is available on the [committee's website](#) under January 23.

Ways & Means

HB 186 **HIGHER EDUCATION EXPENSES (Rogers, J., Scherer, G.)** To enact the "Blair Deduction" to allow an individual obtaining a post-secondary degree or credential from an eligible educational institution to claim an income tax deduction for qualified higher education expenses. (**CONTINUED; 2nd Hearing-Proponent**)

"The provision granting deductions for credentials earned by students will put money back in the pockets of Ohioans," said Daniel Palmer, chief justice of Wright State University's Student Government Association and executive director of the Ohio Student Government Association.

Mr. Palmer said he is concerned about how college students will be claimed as dependents and brought New Jersey's "Dependents Attending Colleges Exemption" to the committee's attention.

He recommended the committee consider including a similar exemption into the bill, which would grant taxpayers a \$1,000 flat deduction that pays at least one half of the "tuition and maintenance costs for a dependent full-time student under age 22," if certain requirements are met.

Mr. Palmer said the exemption saved New Jersey taxpayers \$10.5 million in 2017.

Rep. Blessing asked how this proposal could reduce costs in the long run for college students. If Ohio invests in this matter, the state's institutions will become more marketable which will pay off in the long run, Mr. Palmer said.

Morris W. Beverage Jr., president of Lakeland Community College said in written testimony that the proposal offers relief to Ohio graduates.

"The proposal to adjust the taxable income of recent graduates relative to their out of pocket Qualified Higher Education Expenses is a welcome consideration that recognizes the value of a student and family's investment in education and training, recognizing their struggles, and recognizing their desire to increase their ability to participate in and contribute to workforces and economic development in our state," Mr. Beverage said in testimony.

In written testimony, Dave Wiles, president of CT Consultants, said the bill could help the company compete by expanding its base with high quality graduates in Ohio.

"I strongly believe that any incentive that can enhance the benefits of a post-secondary education, including any financial assistance to help graduates with their responsibilities towards repayment of their school loans, is not only good for our local, state and federal governments, but it is in the student's best interests towards becoming independent and responsible tax-paying citizens," Edward Brown, CFO and owner of the Brown Aveda Institutes, Casal Aveda Institute, and Ladies and Gentlemen Salon and Spas, said in written testimony.

HB 337 ■ COLLEGE TEXTBOOKS (Duffey, M.) To exempt from sales and use tax textbooks purchased by post-secondary students. (**CONTINUED**; 3rd Hearing-All testimony)

"Eliminating the sales tax on textbooks will make the cost of obtaining a higher education more affordable, obtainable, and prove to be beneficial to the hundreds and thousands of students in Ohio," James Curtis, a student at Wright State University told the committee. According to the College Board, the annual cost of books and materials for students is \$1,168 and this cost is expected to grow if the textbook inflation rate continues, Mr. Curtis said.

Numerous polls have revealed the negative impact financial burdens, including rising textbook prices, can have on education, he explained.

Rep. Louis Blessing (R-Cincinnati) asked if the lower sales tax would raise demand and therefore the price of textbooks, resulting a situation where textbook prices remain high. Mr. Curtis replied that if demand increases, supply would follow.

Mr. Curtis told **Rep. Michael Henne** (R-Clayton) that increasing the use of online materials and encouraging faculty to be lenient on which editions of textbooks are required would also help to ease the financial burden of textbooks for students.

Mr. Curtis told **Rep. Craig Riedel** (R-Defiance) that the exemption would not apply to high schools that buy textbooks for College Credit Plus programs.

Rep. Tim Schaffer (R-Lancaster) asked if any student groups had appealed to publishers of these textbooks to inquire about the rising costs. There have been many initiatives and petitions to try to reach the publishers to little or no effect, Mr. Curtis replied.

In October, the Ohio Faculty Council voted on a resolution which established a set of approaches to reduce textbook costs for students in the state of Ohio, Dan Krane professor of biological sciences at Wright State University and chair of the Ohio Faculty Council, told the committee.

If fully implemented, the proposal would result in a savings of \$300 million annually, Mr. Krane said.

Many states already exempt textbook sales from their sales tax, giving those states a competitive advantage when trying to recruit students, he said.

Mr. Krane said he does not believe implementing a sales tax exemption would lead faculty members to choose textbooks that are not exempt for reasons regarding profit.

He told Rep. Blessing it is hard to tell how high the cost of textbooks would be if the states mentioned had not implemented sales tax exemptions. However, the sales tax exemption is third on the faculty council's list of initiatives to lower textbook costs and other proposals may be more impactful.

Mr. Krane said he is concerned about Ohio being at a competitive disadvantage to other state institutions for recruitment purposes, not necessarily for cross-border tax avoidance strategies.

He told Rep. Merrin that the exemption applies to any book required by a collegiate course syllabus in the state of Ohio. For companies like Amazon, there would need to be a mechanism to exempt the sales tax, he added.

LSC noted that if a student purchases a book online, the bill requires the student to provide the company with their address, the title of the academic course, name and address of the institution and the student's university identification card number, among other information.

(LSC Analysis)

Rep. Derek Merrin (R-Monclova Twp.) asked how it would be determined if a book is a required textbook. LSC noted that the bill restricts the exemption to books assigned by a course syllabus.

Rep. Bill Patmon (D-Cleveland) asked how the bill would work to help students over time, assuming textbook price inflation continues.

Governor Kasich inspired the faculty council's set of proposals to ease the financial burden on college students, Mr. Krane said.

"The textbook industry is a broken business model," Mr. Krane told the committee. To address the situation involving publishers and used booksellers, the faculty council recommends an "inclusive access" strategy, which calls for institutions to negotiate the price of books with publishers rather than leaving this to the students, he explained.

Rep. Patmon said he is concerned that there is no mechanism to prevent the increasing price inflation. Mr. Krane said he does not believe the sales tax exemption will fully address the problem, but the "inclusive access" provision of the faculty council's approach could.

Rep. Schaffer asked if the professor knew who benefits from the increasing textbook costs. Members of university faculty are not the leading beneficiaries, Mr. Krane explained as the author of a textbook himself. The publishers and the used booksellers are the "culprits," he added.

In response to Rep. Merrin's statement that professors have a tremendous power in choosing the latest and most expensive edition of textbooks, Mr. Krane replied that in the interest of academic freedom he does not believe this right should be infringed upon.

However, as a professor he has experienced the games publishers play by only including online access codes on the latest editions, which contain necessary tools for the course, Mr. Krane added.

The faculty council is working diligently to find an incentive to encourage faculty to develop alternatives to expensive books, he told the committee.

Rep. Schaffer asked if there are anti-trust concerns in situations where faculty may ban together with publishers. Mr. Krane said it would be more likely to see this from the academic institutions. Nonetheless, the inclusive access strategy has been successful in Indiana and publishers have been open to the method, he explained.

HB 351 ■ MILITARY TAX EXEMPTION (Perales, R., Butler, J.) To require municipal corporations to exempt from taxation the military pay of members of the commissioned corps of the National Oceanic and Atmospheric Administration and Public Health Service. (**CONTINUED**; 3rd Hearing-All testimony)

On behalf of the Ohio Council of Chapters Military Officers Association, Colonel John McCoy said in written testimony that the proposal to delete the terms "armed forces" and replace it with "uniformed services" from the code would have no fiscal impact to the state.

The change would extend benefits to Public Health Services and the Commissioned Corps of the National Oceanic and Atmospheric Administration which support other military services,

are subject to deployments, and react to national emergencies among other duties, Mr. McCoy said in testimony.

Subscriber's Note: Full testimonies are available on the [committee website](#) under Jan. 23.

Economic Development, Commerce & Labor

HB 392 **APIARY DAMAGES (Stein, D.)** To grant specified apiary owners immunity in personal injury or property damage cases. (**REPORTED (No testimony)**; 5th Hearing-All testimony-Possible vote)

Rep. Brigid Kelly (D-Cincinnati) and **Rep. Alicia Reece** (D-Cincinnati) voted against the measure.

HB 433 **VETERINARY EDUCATION (Kelly, B., Brinkman, T.)** To allow a licensed veterinarian to receive up to two continuing education credits per biennium for performing free spaying and neutering services. (**CONTINUED**; 1st Hearing-Sponsor)

Rep. Kelly (D-Cincinnati) said her bill is a common sense approach to enable veterinarians in Ohio to earn continuing education credit by performing free spaying and neutering services at a county humane society, dog pound or nonprofit.

For every hour spent providing these services, veterinarians would receive one-half hour credit of continuing education towards the annual requirement, she explained. Participating veterinarians could receive up to two hours of credit per renewal.

The goal of the bill is to responsibly curb the issue of pet overpopulation, Rep. Kelly said. The Humane Society of the United States successfully lobbied for similar bill in the state of New York in 2016, she added.

Rep. Kelly told **Rep. Michele Lepore-Hagan** (D-Youngstown) that the bill would not change the number of hours required for continuing education, rather it provides veterinarians the option to apply time spent volunteering to the credits.

Rep. Lepore-Hagan inquired if there was a need for the incentive. Co-Sponsor **Rep. Tom Brinkman** (R-Cincinnati) said the goal of the bill is to address the problem of overpopulated animal shelters while providing veterinarians with an incentive to volunteer their time rather than fulfilling their continuing education credits at a luxurious conference.

Many veterinarians are already donating their time to provide free spaying and neutering services, Rep. Kelly told the committee. This bill provides a practical incentive to continue to do so.

HB 444 **FOOD OPERATION FEES (Sweeney, M.)** To require a seasonal food service operation license fee to be one-half of the license fee for a food service operation that is not a seasonal food service operation. (**CONTINUED**; 1st Hearing-Sponsor)

Rep. Martin Sweeney (D-Cleveland) said his bill will allow for a separate food license for half of the year, in addition to the standard year-long operation license to accommodate seasonal food businesses.

"This legislation will allow these businesses to save a little bit of money on their license, which in turn, could be used to hire additional seasonal help," Rep. Sweeney said. "As the seasonal help at these types of businesses are often high school students, this will help instill a strong work ethic in even more young Ohioans throughout the state."

Rep. Sweeney told Rep. Dick Stein (R-Norwalk) that a food truck entity could apply for the seasonal license if it operated for less than six months out of the year.

Rep. Brinkman said he liked the idea of a seasonal operating license and wondered if it could apply to all types of seasonal businesses including entities like golf courses and hockey rinks.

The sponsor replied that the mentioned entities do not need to apply for a yearly license, but that he is open to the committee's feedback and suggestions.

Rep. Sweeney told Rep. Thomas West (D-Canton) that if a golf course has a seasonal food business, then that food business could apply for a seasonal permit.

Rep. Steven Arndt (R-Port Clinton) asked if the sponsor had considered the impacts on a county with a high density of seasonal workers. Rep. Sweeney replied that he had not but would work closely with the committee and representatives from those areas to address that issue.

Rep. Lepore-Hagan inquired how the funds would be supplemented with some revenue streams being cut in half. Rep. Sweeney replied that though the revenue stream would be eliminated, the change would have a minimal impact on the general fund of most counties to the great benefit of small, seasonal businesses.

Subscriber's Note: Full testimonies can be found on the committee website under Jan. 23.

Government Accountability & Oversight

HJR 4 **UNEMPLOYMENT COMPENSATION (Schuring, K.)** Proposing to enact Section 2t of Article VIII of the Constitution of the State of Ohio to allow the General Assembly to provide by law for the issuance of bonds to pay unemployment compensation benefits when the fund created for that purpose is or will be depleted or to repay outstanding advances made by the federal government to the unemployment compensation program. **(CONTINUED (No testimony); 9th Hearing-All testimony)**

HB 382 **UNEMPLOYMENT COMPENSATION (Schuring, K.)** To modify terms describing payments made under the Unemployment Compensation Law, to increase the amount of wages subject to unemployment compensation premiums, to require qualifying employees to make payments to the Unemployment Compensation Insurance Fund, to allow the Director of Job and Family Services to adjust maximum weekly benefit amounts, to reduce the maximum number of benefit weeks, and to make other changes to the Unemployment Compensation Law. **(CONTINUED (No testimony); 9th Hearing-All testimony)**

HB 410 **TRAFFIC VIOLATIONS (Seitz, B., Butler, J.)** To grant municipal and county courts original and exclusive jurisdiction over any civil action concerning a traffic law violation, to specify that the court require an advance

deposit for the filing of specified civil actions by the local authority bringing the civil action, and to modify the reporting requirements and LGF withholding that apply to subdivisions that operate traffic law photo-monitoring devices.

(CONTINUED; 3rd Hearing-All testimony)

Traffic safety activist Sharon Montgomery raised questions about the use of traffic cameras in interested party testimony.

One problem with red-light cameras is how they enforce legal right turns at red lights, she said. One solution is to eliminate the option at intersections with cameras.

The bill could solve procedural issues regarding traffic cameras by ensuring they go through the court system, she said.

Ms. Montgomery also raised questions about the revenue motive behind traffic cameras. She asked if the increased safety provided by the cameras balanced the revenue generated by them.

"What evidence is there that municipalities have installed cameras for revenue only?" she asked. "How do we determine motive? Why is it not okay to make money while also doing something good?"

Ms. Montgomery also cited evidence that red-light cameras reduce T-bone crashes but increase rear-end crashes, and said roundabouts have also been implemented to the same effect.

She suggested the legislature work to ensure cameras don't penalize legal actions and fix procedures for dealing with tickets, but that cities not be penalized for efforts to improve safety and generate revenue.

"Revenue challenges already exist for many, if not most, local governments," she said. "They have been asked to "do more with less" and not to make up already existing reductions in state funding by increasing local taxes."

Rep. Bill Seitz (R-Cincinnati) asked Ms. Montgomery if municipalities were using revenue from traffic cameras on safety issues.

Ms. Montgomery said she was aware that the bill would require money to be spent on safety. Local governments, compared to the state, are often best positioned to ensure money is used effectively, she said.

Kent Scarrett, executive director of the Ohio Municipal League, wrote in opposition to the bill, saying it would create unnecessary burdens for municipalities in enforcing local safety regulations.

"The bill strips cities and villages of their right to use administrative hearings for civil citation issuance via traffic camera, which is an effective and financially-responsible means of providing a hearing process - particularly for Ohio's small villages, which are often under-staffed and financially strained," he wrote.

The bill also re-litigates an issue already decided by the Ohio Supreme Court, Mr. Scarrett said.

A major concern he cited was that it would require municipalities to file an annual report with the tax commissioner and the municipality's local government fund disbursement would be reduced accordingly.

"Despite the Constitutional right municipalities have to operate traffic cameras, this bill seeks to punish those municipalities who use that right by further depleting the revenues they need to ensure safety and provide local services," he said.

HB 430 **ENERGY TAX EXEMPTION (Schaffer, T.)** To expand the scope of a sales and use tax exemption for certain kinds of property used in the production of oil and gas. (**CONTINUED (No testimony)**; 3rd Hearing-All testimony-Possible vote)

HB 451 **PUBLIC RECORDS (Rutherford, W.)** To exclude from the definition of public record under the Public Records Law any depiction by photograph, film, videotape, or digital, visual, or printed material of victims of crime under specified circumstances dealing with the victims' bodily privacy. (**CONTINUED; 1st Hearing-Sponsor**)

Sponsor **Rep. Wes Rutherford** (R-Hamilton) said the bill is designed to protect victims in sexually oriented crimes, such as voyeurism, from having images submitted as evidence in a court case released as a public record.

"Ohio is a very open and transparent state and we have some of the most transparent public records laws in the country," he said. "Government transparency is key to an effective republic. However, ascertaining these photos, videos, images, etc. would have no effect on ensuring public protection through open records laws, instead would just lead to the potential of having an already violated individual become victimized again, when they should be focused on rebuilding in the aftermath."

The bill came from a conversation with police in Hamilton, who raised concerns that they would have to release compromising images if such records were requested.

"While this has not been, to the best of my knowledge, an issue yet, I believe that the proper thing for the General Assembly to do is to take a proactive approach to this issue," Rep. Rutherford said. "Why should we wait for this to happen before we respond?"

HB 462 **HOSPITAL CLOSINGS (Schuring, K., West, T.)** To require that a for-profit hospital and its affiliated health care facilities in certain counties follow specified procedures before ceasing operations or closing, and to declare an emergency. (**CONTINUED (No testimony)**; 2nd Hearing-All testimony)

Small Cell Wireless: Sponsor **Rep. Sarah LaTourette** (R-Chagrin Falls) testified in an informal hearing on a bill (**HB 478**) introduced Tuesday that deals with small cell wireless technology.

The technology - low-powered antennas attached to streetlights and poles that help upgrade wireless networks - was the subject of controversy when lawmakers included language in a bill last session (SB331, 131st General Assembly) allowing communication companies to install the antennas in municipal rights-of-way.

Municipalities filed lawsuits against the provision and courts found the law violated the Ohio Constitution's single subject rule. (See **Gongwer Ohio Report, March 31, 2017**)

"Rather than merely passing the same language as a standalone bill, we asked the wireless industry and the municipalities to see if they could resolve their differences, so we can pass a

law that will remove the uncertainty caused by the litigation and spur the investment and innovation as was originally intended," Rep. LaTourette said.

The bill creates uniform fees - a \$250 application fee for request and \$200 annual charge to attach to a municipally owned or controlled pole - and a process for obtaining permits. It also lays out approaches for municipalities to protect the aesthetic character of the right-of-way.

(LSC analysis)

Rep. LaTourette, who is sponsoring the bill alongside Rep. Ryan Smith (R-Bidwell), said the language stems from negotiations over the past three months with municipal officials, city engineers and representatives of the wireless industry.

"This was truly a collaborative effort and the participants should be commended for not only their hard work but also their willingness to negotiate a solution," she said. "The bill before you balances the industry's need to deploy small cells in a timely manner with municipalities' legitimate interest in protecting the aesthetic character of the public way."

Criminal Justice

HB 349 **POLICE ANIMALS (LaTourette, S.)** To increase the penalty for assaulting a police dog or horse and to include search and rescue dogs and horses in the prohibition against assaulting or harassing a police animal. (**CONTINUED-SUBSTITUTE**; 2nd Hearing-Proponent-Possible substitute)

Before hearing testimony, the panel accepted a substitute bill offered by Rep. Jeff Rezabek (R-Clayton) to restore existing penalties for assault on a police animal and to set the same penalties for assault on search and rescue animals. (Comp doc)

In proponent testimony, Dr. Robert Davis said search and rescue dogs and horses oftentimes encounter the same types of interference as experienced by police dogs and horses.

"Sometimes SAR teams enter private property either unknowingly or accompanied by law enforcement as part of the investigation," he said. "Although distinguishably marked, SAR animals may be subject to various actions by hostile property owners. It may also be the case that the subject of the search was not initially known to be a criminal actor and, when the SAR dog or horse makes contact with the subject, there is potential for harm."

Alice Ault of Miami Valley Mounted Search and Rescue said in proponent testimony that attacks on SAR animals have a high probability of resulting in serious injuries to humans. "Injury occurs to the equestrian as the result of the equine falling onto the equestrian after it has been violently attacked," she said. "This is one of the reasons horsemanship has been determined to be the most dangerous sport in the sports world. Some SAR equine can weigh more than twelve hundred pounds. Because of this, an equine falling onto a rider, as the result of a violent attack, can result in a multitude of traumatic injuries; the most serious, being paralysis or death."

Janelle Hideg of the Midwest K9 Search Unit also provided proponent testimony.

The panel also received written proponent testimony from Jerry Whaley of the Buckeye Emergency Response Training School.

HB 405 **COUNTERFEITING (Perales, R.)** To create the offense of counterfeiting and to include counterfeiting within the definition of "corrupt activity" under the

Corrupt Activities Law. (**REPORTED-AMENDED (No testimony)**; 3rd Hearing-Possible amendments & vote)

The bill was amended by Rep. Rezabek to clarify that someone in possession of five or more access devices faces up to a third-degree felony charge.

HB 409 **VETERAN TREATMENT** (Butler, J., Perales, R.) To permit courts to create veterans treatment courts and to allow courts to divert certain criminal defendants to participate in veterans treatment court. (**CONTINUED; 2nd Hearing-Proponent**)

Montgomery County Common Pleas Court Judge Dennis Adkins said the need for the legislation has drastically increased since Sept. 11, 2001.

During the War on Terror, he said, some veterans have been deployed overseas as many as nine times.

"Some are changed more than others. Some suffer from serious problems," Judge Adkins said.

Judge Adkins created a veterans' treatment court in 2013. He said it has proven to be successful with a lower recidivism rate than other specialized dockets.

"The numbers speak for themselves. We have been very successful," he said.

HB 439 **BAIL DETERMINATIONS** (Dever, J., Ginter, T.) To require courts to use the results of a validated risk assessment tool in bail determinations; to allow nonmonetary bail to be set; to require courts to collect certain data on bail, pretrial release, and sentencing; and to require the state Criminal Sentencing Commission to create a list of validated risk assessment tools and monitor the policies and procedures of courts in setting bail and utilizing pretrial supervision services. (**CONTINUED (See separate story); 2nd Hearing-Proponent & interested party**)

HB 455 **DRUG TRAFFICKING** (Wiggam, S.) To provide that in determining the amount of cocaine for trafficking offenses, it also includes a compound, mixture, preparation, or substance containing cocaine, to increase penalties for certain drug trafficking offenses, and to name this act the Drug Trafficking Deterrence Act. (**CONTINUED; 1st Hearing-Sponsor**)

Under the measure, individuals charged with trafficking heroin, fentanyl, cocaine or other Scheduled I or II drugs would be charged with at least a third-degree felony that includes mandatory prison time.

"No longer will drug dealers be able to operate in this state with little fear of the law, and Ohio will draw a clear distinction in criminal penalties between trafficking and simply using illegal drugs," Rep. Scott Wiggam (R-Wooster) said in sponsor testimony.

Rep. Wiggam said that since 2012, Ohio has reduced the incarceration of drug traffickers by 4%, while at the same time, unintentional overdose deaths have increased by 212%.

"We are in a battle for the future of Ohio," he said. "Without deterring drugs from entering and being produced in the state, we are failing those who are currently addicted, and we are jeopardizing our state's future."

Rep. Rezabek questioned the impact the bill would have on the state's already overcrowded prison system, adding he has heard the figure could be as many as 8,000 beds - the equivalent of three maximum security prisons.

Rep. Wiggam disputed the figure, saying the deterrence impact could lead to a much smaller impact.

Rep. Rezabek also questioned whether the bill addresses the definition of trafficking, noting that some users carry scales to ensure that they are not being ripped off when purchasing drugs.

Rep. Wiggam said the bill currently does not address that issue, but he would be open to looking further into the matter.

HB 457 **DRUG TREATMENT (Antani, N.)** To require that an offender serving a community control sanction or a parolee who fails a drug test for heroin, fentanyl, or carfentanil be held in jail or admitted to a residential treatment program for up to 30 days. (CONTINUED; 1st Hearing-Sponsor)

Rep. Niraj Antani (R-Miamisburg) said the legislation was spurred by Scottie Childers, who failed a drug test during a probation check-in and died of an overdose four hours later.

"Scottie's mother, Linda Chambers, was shocked that her son was able to walk out after testing positive. In this case, had Scottie been sent to jail, it would have saved his life," he said in sponsor testimony. "This bill will help protect and save the lives of individuals afflicted with substance abuse."

The bill would require individuals subject to community control or parole sanctions to be immediately sent to jail or a treatment facility if they test positive for heroin, fentanyl or carfentanil.

"I completely agree that those struggling with substance abuse should be treated as addicts who need treatment, and not as criminals. However, in current reality, we simply do not have enough residential treatment facilities for those who need it," he said.

"While we in the General Assembly must address that issue, we also must face where we are today in Ohio and the challenges that we are up against. While we are working on getting more treatment facilities, there has to be somewhere for individuals afflicted with substance abuse to go, and jail is the safest place for them."

Rep. John Rogers (D-Mentor-on-the-Lake) questioned why cocaine is not included in the bill.

Rep. Antani said he was trying to narrowly tailor the bill to lessen the impact on county jails. He added that the original charge has to have involved one of the drugs named in the bill.

HB 461 **HUMAN TRAFFICKING (Fedor, T., Galonski, T.)** To require a juvenile court to hold a delinquency complaint in abeyance if the court has reason to believe that the act charged might be prostitution related or that the child might be a victim of human trafficking and to provide that the same elements for the offense of trafficking in persons that apply to a victim under the age of sixteen also apply to a victim who is age sixteen or seventeen.
(SCHEDULED BUT NOT HEARD; 1st Hearing-Sponsor)

The bill was pulled from the agenda at the sponsor's request.

Subscriber's Note: For full written testimony, see the [committee's website](#) under Jan. 23. **Education & Career Readiness**

HB 224 ■ **SCHOOL FOODS (Ingram, C.)** To permit districts and schools to re-serve time- and temperature-controlled food items to students if items are unused and returned unopened, undamaged, and in the original packaging.
(CONTINUED; 2nd Hearing-Proponent & Interested party)

Rachel Tilford, food service director of Little Miami Schools and legislative chairperson for the School Nutrition Association of Ohio, said allowing food-sharing tables can benefit students who are food insecure.

However, the Department of Health currently requires any food remaining on sharing tables at the end of the day to be discarded, even if proper procedures are in place to safely store the food and keep it at proper temperatures.

Having to throw that food away results in about \$3,000 of waste annually in her district of 5,000 students alone, Ms. Tilford said.

"It is difficult to throw perfect good food in a garbage can. Try opening your refrigerator and tossing several dollars' worth of food into the trash," she said. "Staff have expressed concern that if people in our conservative community ever witnesses such waste that our department would be viewed negatively for wasting taxpayers' money and probably wind up as a scandalous media story."

She told Rep. John Patterson (D-Jefferson) that many schools face shortfalls in their food service budgets and use money from the general fund used for educational purposes to provide lunches.

While schools lose lunch profits on calamity days, they typically don't lose product because district food service workers can go to schools and freeze any items that won't keep while school is called off, Ms. Tilford said in response to a question from [Rep. Dan Ramos](#) (D-Lorain).

[Rep. Theresa Gavarone](#) (R-Bowling Green) questioned how schools keep cold items such as milk and yogurt at a safe temperature after they've been served. The witness said students typically don't have the items on their lunch trays for more than 15 minutes and then they're placed in insulated or temperature controlled storage that's monitored by a thermometer.

Jessica Shelly, food service director for Cincinnati Public Schools, also submitted written testimony in support of the bill. She said the school throws out an estimated \$500,000 in products each year that are paid for by the U.S. Department of Agriculture.

HB 438 ■ **ESC BOARDS (Hambley, S., Kick, D.)** To permit the addition of appointed members to educational service center boards and to permit a local school district to sever its territory from one educational service center and annex that territory to an adjacent service center under specified conditions.
(CONTINUED; 1st Hearing-Sponsor)

Joint sponsor, [Rep. Steve Hambley](#) (R-Brunswick) said the bill aims to "increase member schools' participation in ESC governance and return choice to school districts whose hands were tied under previous law changes."

The measure allows the governing board of any single county ESC to add appointed members who represent client school districts of the service center that are not otherwise represented on the board, he said. Multi-county ESCs already have this ability.

It also permits a local school district to sever its territory from one ESC and annex that territory to an adjacent ESC under certain conditions, joint sponsor Rep. Darrell Kick (R-Loudonville) said.

"Initial indications are that the only affected school districts would be Black River Local School District, and the five school districts in Sandusky County," he said, noting that the provision is permissive.

Responding to questions from the committee, Rep. Hambley said the Ohio Educational Service Center Association is supportive of the bill, which wouldn't allow appointed members to outnumber elected officials on boards.

Currently in the Black River Local School District, residents elect board members to an ESC they don't receive services from, which is what the bill is attempting to remedy, he said.

HB 442 **SCHOOL ATHLETICS (Antani, N.)** To authorize any student from a country or province outside the United States who attends an elementary or secondary school in Ohio and holds an F-1 visa to participate in interscholastic athletics at that school on the same basis as Ohio residents.

(CONTINUED; 1st Hearing-Sponsor)

Students who come to America on F-1 visas don't get a complete high school experience because they're currently not allowed to play sports, sponsoring Rep. Niraj Antani (R-Miamisburg) said.

"The Ohio High School Athletic Association and its members - around 85% of which are public high schools, paid for by taxpayers - arbitrarily decided several years ago that some international students, like exchange students who are here for a year on a J-1 visa, may play sports, but others, who may be here for four years on an F-1 visa, may not participate unless they meet specific criteria that are not applicable to the vast majority of students who receive an F-1 visa," he said.

He pointed to a 2015 comment from the OHSSA commissioner, who said that sports teach students life lessons, such as teamwork and commitment.

"Why would we want to deny a segment of students attending high school in Ohio from having these valuable experiences, just because of where they were born and the type of visa they have to legally attend school here?" Rep. Antani asked. "It is not something that our state government should let happen, especially when such rules are made by our public schools."

Rep. Ramos and Rep. Patterson raised concerns about recruiting athletes if the bill were to be approved.

"There has been concern that it's possible that students like this might congregate, some might use the term recruitment, in some particular schools and thus instead of a level playing field...it makes it harder for schools to compete," Rep. Patterson said.

Rep. Antani said it doesn't seem likely that schools would attempt to recruit students and there are OSHAA penalties in place for those that are caught doing so.

He suggested that private schools would only accept individuals who meet certain academic standards, which would make recruiting even more difficult.

By all accounts, students with J-1 visas, who are typically short-term foreign exchange students, aren't currently recruited despite being permitted to play OSHAA sports, Rep. Antani added.

- HCR 11** ■ **EDUCATION PLAN (Gavarone, T.)** To approve Ohio's state education plan for implementation of the federal Every Student Succeeds Act. (**CONTINUED (No testimony)**; 2nd Hearing-All testimony)

Public Utilities

- HB 143** ■ **ELECTRIC COMPANIES (Sprague, R.)** To clarify the definition of "electric distribution company" for kilowatt-hour tax purposes. (**CONTINUED; 1st Hearing-Sponsor**)

Rep. Robert Sprague's bill would preserve the previously-granted exemption of self-generators from the kilowatt-hour tax when it comes to power distribution, according to the sponsor.

The bill, he argued, is necessary to ensure exemptions spelled out in a 2001 law are properly applied by the Ohio Department of Taxation. That bill (SB3, 123rd General Assembly) exempted self-generators from the tax but the sponsor said that in recent years, ODT has begun levying the tax on some entities that should qualify as self-generators.

"This specific issue has to do with the interpretation of language regarding the tax on the distribution of energy over the grid," he said. "Since 'self-generator' is not specifically defined under Ohio's tax code, the Ohio Department of Taxation is treating certain entities that fit under the Ohio Revised Code Section 4928.01 definition of a 'self-generator' as electric distribution companies."

A substitute version of the bill is forthcoming after continued talks with ODT and other parties, Rep. Sprague (R-Findlay) said.

"My hope is we will soon reach a consensus on the language issues, but, due to certain views on the original principle of the exemption, there will still be opposition," Rep. Sprague said. "My intention was and is not to address the principle of whether the exemption is right or wrong; it is to clarify the intentions of Senate Bill 3 from the 123rd General Assembly."

The sponsor told Rep. Rick Perales (R-Beavercreek) that "a lot of resistance" has been aired in interested party meetings over whether justification for the exemptions exists. "We're really not going to address that particular issue of the exemption," he said of the philosophical debate.

- HB 247** ■ **UTILITY LAW (Romanchuk, M.)** To require refunds to utility customers who have been improperly charged, to eliminate electric security plans and require all electric standard service offers to be delivered through market-rate offers, and to strengthen corporate separation requirements. (**CONTINUED; 6th Hearing-All testimony**)

Proponents continued pressing House lawmakers to support a bill to ban electric security plans over the objections of utility companies.

Tuesday marked the sixth hearing of the bill from Rep. Mark Romanchuk (R-Mansfield) which has been praised by consumer advocates as a way to bypass above-market riders levied on customers. But utilities remain staunchly opposed, arguing previously that MROs are less flexible and reduce competition. (See Gongwer Ohio Report, December 12, 2017) Ohio Consumers' Counsel Bruce Weston reiterated his support for the bill, echoing remarks he's made before in front of the committee. (See Gongwer Ohio Report, November 14, 2017)

"In short, you would be solving a lot of problems and doing a lot of good for Ohioans by reforming the 2008 law to eliminate electric security plans," Mr. Weston argued.

Ned Hill, an Ohio State University economist, agreed, criticizing the deal-making process in which utilities secure interested party support for ESPs through settlement agreement "carve outs."

"In a market-based economy markets should operate for the benefit of consumers, not for the benefit of companies," he said. "House Bill 247 will ensure that this remains true for electricity customers, and not just the few that are favored in special interest carve-outs in ESPs."

Barry Matchett, director of external affairs for NRG Energy, also voiced support for the bill, which he said contains "worthy policy goals" for Ohio consumers and large energy users.

"Let me also be clear that this is a compromise bill from the start," Mr. Matchett said. "I will admit there were many proposed items that my own company would have liked to have seen included in this legislation. But what you have before you is a solid base of reforms to protect and preserve the robust and developing energy market here in Ohio primarily to the benefit of customers."

Micah Derry, state director for Americans for Prosperity-Ohio, submitted written interested party testimony stating the legislation is a "natural step on the heels" of a House-passed bill to rework the renewable energy standards (HB 114).

"As it relates to HB247, we think the steps taken in the legislation to eliminate the Electricity Security Plans (ESP) are an encouraging provision, as this would largely preclude the ability of utilities to charge above-market rates to consumers," Mr. Derry wrote.

"It would also open the way for more pro-consumer competitive outcomes through the default adoption of the Market-Rate Offer (MRO) ratemaking mechanism, which is intrinsically competitive since it sets rates through a competitive bidding process," he continued.

HB 402 **TELEPHONE REGULATION** (Hill, B.) To revise state regulation of telephone companies. (**CONTINUED (See separate story)**; 2nd Hearing-Proponent)

Subscribers Note: For full testimony see the committee's website under Jan. 23.

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Senate Activity for Tuesday, January 23, 2018

COMMITTEE HEARINGS

Health, Human Services & Medicaid

HB 145 **CONFIDENTIAL TREATMENT** (Huffman, S., Sprague, R.) To provide for the establishment of a confidential program for the treatment of certain impaired practitioners and to declare an emergency. (**REPORTED-AMENDED**; 4th Hearing -All testimony-Possible vote)

The committee voted unanimously to report the bill after accepting two amendments.

The first amendment, offered by Chairman Sen. Dave Burke (R-Marysville), deals with the potential of a move of Medicaid long-term services and supports into managed care. That proposal was hotly debated in the budget, with the General Assembly putting a limit on the administration's plan to implement the move, and Gov. John Kasich vetoing the language. The issue was resolved when the Kasich administration announced it would not begin the move.

The amendment states that the General Assembly would have the final say in whether Medicaid can move long-term care services to managed care, said Sen. Scott Oelslager (R-N. Canton).

The other amendment includes language considered but tabled in December dealing with the move of the regulation of dieticians and respiratory care providers to the State Medical Board. (See Gongwer Ohio Report, December 5, 2017)

HB 286 **PALLIATIVE CARE** (LaTourette, S.) To create the Palliative Care and Quality of Life Interdisciplinary Council, to establish the Palliative Care Consumer and Professional Information and Education Program, and to require health care facilities to identify patients and residents who could benefit from palliative care. (**CONTINUED-AMENDED**; 1st Hearing-Sponsor & Possible amendments)

The committee accepted an amendment offered by Sen. Burke that adds exercise physiologists to list of experts that can be appointed to the interdisciplinary council, clarifies what non-hospice palliative care candidates may receive the service from a hospice facility, and makes technical corrections.

Sponsor Rep. Sarah LaTourette (R-Chagrin Falls) said the bill would create an interdisciplinary council and education program to raise awareness about palliative care. Palliative care, in which a patient's quality of life is improved by reducing symptoms, pain and stress by giving them more control, is appropriate at any point in an illness, not just at the end of life.

"Palliative care is appropriate at any age and at any stage of a serious illness, but when palliative care is mentioned many people do instantly think of 'hospice care' and the

conversation stops," she said. "Because of this, palliative care is drastically and disappointingly underutilized in our state."

The council would include members from fields that work closely with palliative care recipients, and would serve as an advisory council to the Department of Health," Rep. LaTourette said. "The bill also creates an education program to inform patients and medical providers about the care."

Sen. Bill Beagle (R-Tipp City) asked what the council's main objective would be.

The sponsor said education is important, because if people don't know about palliative care, they won't take advantage of it. The council would also be required to submit annual reports to the General Assembly.

HB 50 **EBT CARDS** (Schaffer, T.) To establish requirements for electronic benefit transfer cards issued under the Supplemental Nutrition Assistance Program. (CONTINUED (See separate story); 1st Hearing-Sponsor)

SB 110 **HEALTH CARE IDENTIFICATION** (Tavares, C.) To require a health care professional to wear identification when providing care or treatment in the presence of a patient. (CONTINUED; 1st Hearing-Sponsor)

The bill would require certain health care professionals to wear an identification card, badge or similar device, including a photograph, when providing care, sponsor Sen. Charleta B. Tavares (D-Columbus) said. The badge would be required to include the person's licensure status and staff position.

"Without this legislation it is all too easy for patients to confuse who is and is not a licensed health care professional," she said. "It is also very easy for unlicensed or unqualified individuals to administer care to unaware patients. The misrepresentation of the level of training held by health care professionals is dangerous and can result in the loss of a loved one's life."

The sponsor detailed the story of a patient in South Carolina who ultimately died from complications from a pain reliever after surgery and whose mother repeatedly asked for a veteran physician at the hospital to examine him, but was only met by residents.

"It is vital that health care professionals are required to wear identification of who they are and what their level of training is in order to insure the utmost level of transparency between patients and health professionals," she said.

Sen. Peggy Lehner (R-Kettering) asked the sponsor if she has checked with hospitals to see if it is already in practice.

Sen. Tavares said she didn't know how common of a practice it is, particularly in smaller hospital systems and practices.

Sen. Edna Brown (D-Toledo) said many people wear badges backwards, and suggested that the requirement be that the name and status be visible.

That's the intent of the bill, Sen. Tavares said, but it could be made explicit in the bill.

SB 192 **AWARENESS WEEK** (Tavares, C.) To designate the last week of September as "Diaper Need Awareness Week." (CONTINUED; 1st Hearing-Sponsor)

Sen. Tavares said her bill would designate the final week of September as Diaper Need Awareness Week, focusing on the need by low-income families of diapers and to rally support for diaper bank programs.

"Children in low-income families are at the greatest risk of suffering the effects of diaper need because many families cannot afford diapers," she said. "Current public support programs help some, but young children have additional needs necessary to build a strong foundation for healthy growth. More awareness needs to be brought to such a critical but oftentimes overlooked necessity for Ohio families."

Temporary Assistance for Needy Families is the only federal program that can cover diapers, and families are often forced to choose between diapers and other services TANF covers, such as heat, electric, rent, clothing and transportation, Sen. Tavares said.

"This bill is simply meant to bring attention to this important need and to encourage those of us with a little extra to donate to the Diaper Banks in our communities or to start them," she said.

Insurance & Financial Institutions

HB 362 **HPRS RETIREMENT (Carfagna, R., Ramos, D.)** To revise the law governing the State Highway Patrol Retirement System. (**CONTINUED**; 2nd Hearing-All testimony)

Mark Atkeson, executive director of the Ohio Highway Patrol Retirement System, said the bill would help the pension fund ensure continued solvency.

The bill would return the minimum retirement age to 52 for new hires after Jan. 1, 2020, calculate pension benefits for off-duty disabilities based on a minimum 12-year service benefit instead of 20 years, and eliminate the automatic 50% unfunded survivor benefit, creating a set amount of \$900, increasing annually as the board determines.

The measure would also provide no survivor benefits for those who marry after retirement.

"These changes reduce the amortization period of our unfunded actuarial accrued liabilities by several years, and when these changes are fully realized, they will have a compounding cumulative effect on reducing our unfunded liabilities," he said. "In addition, these are considered best practices and are consistent with other similar systems."

Robert Booker, president of the Ohio Highway Patrol Retirees' Association, said the changes are needed to ensure the system's long-term health.

"Like with other pension systems, our system continues to face actuarial assumption changes that have not been seen before," he said. "Probably, the most significant change was the reduction of the investment assumed rate of return. These assumption changes increase the unfunded actuarial accrued liabilities of a pension system. The legislative changes the HPRS board has approved are necessary and will decrease the amortization period of the system's unfunded actuarial accrued liabilities by several years, thus improving its solvency."

In written testimony, HPRS Board member Matt Them voiced support for the proposal.

"I realize no one wants to see any change in benefits, myself included, but this legislation is in the best interest of the retirement system and its long-term solvency," he said. "Thus, in the long-run, a solvent and well-funded system will benefit all of us individually."

Chairman Sen. Jay Hottinger (R-Newark) said he hopes to vote the bill out of the committee next week.

SB 227 ■ HEALTH PLAN CLAIMS (Huffman, M.) To require health plan issuers to release certain claim information to group plan policyholders. (**CONTINUED (See separate story)**; 3rd Hearing-Opponent & interested party)

Government Oversight & Reform

SJR 5 ■ CONGRESSIONAL REDISTRICTING (Huffman, M.) To establish a process for congressional redistricting. (**CONTINUED (See separate story)**; 1st Hearing-All testimony)

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Daily Activity Planner for Wednesday, January 24

Legislative Committees

House Health (Committee Record) (Chr. Huffman, S., 466-8114), Rm. 121, 9 a.m.

HB 191 **NURSE ANESTHETISTS (Gonzales, A.)** Regarding the practice of certified registered nurse anesthetists. (3rd Hearing-Proponent)

Senate Ways & Means (Committee Record) (Chr. Eklund, J., 644-7718), South Hearing Rm., 9 a.m.

HB 241 **VETERAN ORGANIZATIONS (Ginter, T.)** To modify the existing tax exemption for veterans organizations' property to include property of certain veterans organizations exempt from federal taxation under section 501C(4) of the Internal Revenue Code and to exclude property that is not used primarily for meetings, administration, and the provision of programs and services to past and present members of the United States armed forces. (2nd Hearing-Proponent)

HB 292 **OHIO RESIDENCY (Scherer, G.)** To modify the test for determining an individual's state of residence for income tax purposes. (2nd Hearing-Proponent)

SB 226 **TAX HOLIDAY (Bacon, K.)** To provide for a permanent three-day sales tax "holiday" each August during which sales of clothing and school supplies are exempt from sales and use tax. (3rd Hearing-All testimony)

Senate Government Oversight & Reform (Committee Record) (Chr. Coley, B., 466-8072), Finance Hearing Rm., 9:45 a.m.

SJR 5 **CONGRESSIONAL REDISTRICTING (Huffman, M.)** To establish a process for congressional redistricting. (2nd Hearing-All testimony-Possible amendments & vote)

House Insurance (Committee Record) (Chr. Brinkman, T., 644-6886), Rm. 116, 10 a.m.

- Presentation by Ohio State Highway Patrol Lt. Steven M. Click on the Ohio ASSIST (Aiding Safety Services with Incident Survival Techniques) Program

HB 459 **WORKERS' COMPENSATION (Henne, M.)** To allow groups of employers to be granted status as a self-insuring employer for purposes of the Workers' Compensation Law. (1st Hearing-Sponsor)

HB 416 **HEALTH SERVICE PRICES (Huffman, S.)** Regarding the provision of cost estimates for scheduled health care services and health care services requiring insurer preauthorization. (2nd Hearing-Proponent)

House Transportation & Public Safety (Committee Record) (Chr. Green, D., 644-6034), Rm. 017, 10 a.m.

- HB 293** **DRIVER'S LICENSES** (Scherer, G., Sheehy, M.) To require a person to hold a temporary instruction permit for one year before obtaining a probationary driver's license and to alter the time periods during which the holder of a temporary instruction permit or probationary driver's license is prohibited from operating a motor vehicle without being accompanied by a parent or guardian. (3rd Hearing-Proponent & opponent-Possible substitute)
- HB 350** **ROAD NAMING** (Craig, H.) To designate a portion of State Route 317 in Franklin County as the "Patrolman Dane L. Rowe Memorial Highway." (1st Hearing-All testimony-Possible vote)
- HB 421** **VEHICLE TITLES** (Patterson, J., Becker, J.) To provide that when a certificate of title is issued for a motor vehicle, the owner may request that the certificate indicate that the motor vehicle is a replica vehicle. (1st Hearing-Sponsor)
- HCR 20** **VEHICLE CRASHES** (Schaffer, T.) To urge Congress to encourage the Administrator of the FMCSA to change the crash indicator BASIC regulation standards to consider only crashes in which the driver was at fault for the crash. (1st Hearing-Sponsor)
- HB 400** **BRIDGE NAMING** (Holmes, G.) To designate the bridge spanning Squaw Creek, that is part of State Route 169 in Trumbull County, as the "World War I and World War II Veterans Memorial Bridge." (1st Hearing-All testimony-Possible vote)
- HB 401** **BRIDGE NAMING** (Holmes, G.) To designate the bridge spanning Squaw Creek, that is part of United States Route 422 in Girard, as the "Purple Heart Veterans Memorial Bridge." (1st Hearing-All testimony-Possible vote)
- HB 388** **LICENSE PLATE** (Sykes, E., Roegner, K.) To create the "Stan Hywet Hall and Gardens" license plate. (1st Hearing-All testimony-Possible vote)
- House Higher Education & Workforce Development** (Committee Record) (**Chr. Duffey, M., 644-6030**), Rm. 115, 11 a.m.
- HB 58** **CURSIVE HANDWRITING** (Brenner, A., Slaby, M.) To require instruction in cursive handwriting. (6th Hearing-Sponsor)
- HB 449** **SPONSOR RATINGS** (Rogers, J., Patterson, J.) To require the Department of Education to attribute any community school sponsor ratings an entity received during its relationship with a state university board of trustees to that entity even if it no longer has a relationship with the university. (1st Hearing-Sponsor)
- Senate Rules & Reference** (Committee Record) (**Chr. Obhof, L., 466-7505**), Majority Conf. Rm., 11 a.m.
- House Rules & Reference** (Committee Record) (**Chr. Rosenberger, C., 466-3506**), Rm. 119, 12:15 p.m.
- House Session** (Committee Record) (**Chr. Rosenberger, C., 466-3357**), House Chamber, 1:30 p.m.
- Senate Session** (Committee Record) (**Chr. Obhof, L., 466-4900**), Senate Chamber, 1:30 p.m.
- House Civil Justice** (Committee Record) (**Chr. Butler, J., 644-6008**), Rm. 121, 2:30 p.m.

- HB 407** **ESTATE LAW** (Dever, J., Seitz, B.) To abolish the estate by dower. (3rd Hearing-All testimony-Possible vote)
- HB 446** **POWER OF ATTORNEY** (Rogers, J., Seitz, B.) Relative to the acceptance of an acknowledged power of attorney. (1st Hearing-Sponsor)
- House Armed Services, Veterans Affairs & Homeland Security** (Committee Record) (**Chr. Johnson, T.**, 466-2124), Rm. 116, 2:30 p.m. or after session
- HR 318** **ARMED FORCES** (Dever, J.) To urge the President and Congress of the United States, and the Secretary of Defense, to authorize the recruitment of individuals with disabilities for service in the Armed Forces of the United States. (1st Hearing-Sponsor)
- HB 434** **LICENSE PLATES** (Sweeney, M., Perales, R.) To create the "Army Distinguished Service Cross," the "Navy Cross," the "Air Force Cross," and the "Coast Guard Cross" license plates. (1st Hearing-Sponsor)
- House Government Accountability & Oversight** (Committee Record) (**Chr. Blessing, L.**, 466-9091), Rm. 313, 2:30 p.m. or after session
- 2nd Hearing-Proponent testimony on bill from Rep. Schuring on redistricting
- HB 87** **COMMUNITY SCHOOLS** (Roegner, K.) Regarding public moneys returned to the state as a result of a finding for recovery issued pursuant to an audit of a community school. (6th Hearing-All testimony-Possible vote)
- HB 478** **WIRELESS SERVICES** (Smith, R., LaTourette, S.) To modify the law regarding wireless service and the placement of small cell wireless facilities in the public way. (2nd Hearing-Proponent)
- HB 382** **UNEMPLOYMENT COMPENSATION** (Schuring, K.) To modify terms describing payments made under the Unemployment Compensation Law, to increase the amount of wages subject to unemployment compensation premiums, to require qualifying employees to make payments to the Unemployment Compensation Insurance Fund, to allow the Director of Job and Family Services to adjust maximum weekly benefit amounts, to reduce the maximum number of benefit weeks, and to make other changes to the Unemployment Compensation Law. (10th Hearing-All testimony)
- HJR 4** **UNEMPLOYMENT COMPENSATION** (Schuring, K.) Proposing to enact Section 2t of Article VIII of the Constitution of the State of Ohio to allow the General Assembly to provide by law for the issuance of bonds to pay unemployment compensation benefits when the fund created for that purpose is or will be depleted or to repay outstanding advances made by the federal government to the unemployment compensation program. (10th Hearing-All testimony)
- HB 462** **HOSPITAL CLOSINGS** (Schuring, K., West, T.) To require that a for-profit hospital and its affiliated health care facilities in certain counties follow specified procedures before ceasing operations or closing, and to declare an emergency. (3rd Hearing-All testimony-Possible vote)

- HB 301** **CONSENT DECREES** (Butler, J.) To require the approval of the General Assembly for a state agency to agree to a consent decree or court-approved settlement agreement that would alter or prohibit the enforcement of a law of this state. (1st Hearing-Sponsor)
- SB 223** **USED TIRES** (LaRose, F.) To prohibit the installation of unsafe used tires on certain motor vehicles. (1st Hearing-Sponsor)
- SB 127** **WASTE COLLECTION VEHICLES** (LaRose, F.) To require motor vehicle operators to take certain actions upon approaching a stationary waste collection vehicle collecting refuse on a roadside. (1st Hearing-Sponsor)
- House Community & Family Advancement** (Committee Record) (**Chr. Ginter, T., 466-8022**), Rm. 114, 3 p.m. or after session
- HB 427** **SUBSTANCE ABUSE** (Young, R.) To require the Department of Health to publish monthly drug overdose death information for each county, to create grant programs to support faith-based substance abuse services, to authorize an income tax deduction for physicians providing such services for free, and to allocate funds and make an appropriation for the grant programs. (1st Hearing-Sponsor-Possible substitute)
- HB 366** **CHILD SUPPORT** (Gavarone, T.) To make changes to the laws governing child support. (5th Hearing-All testimony-Possible vote)
- House Federalism & Interstate Relations** (Committee Record) (**Chr. Roegner, K., 466-1177**), Rm. 115, 3:30 p.m. or after session
- HB 253** **CONCEALED WEAPONS** (Householder, L., Lanese, L.) To permit law enforcement officers to carry firearms off duty in places otherwise prohibited for concealed handgun licensees. (3rd Hearing-Opponent & interested party)
- House State & Local Government** (Committee Record) (**Chr. Anielski, M., 644-6041**), Rm. 017, 3:30 p.m. or after session
- HB 415** **ROAD IMPROVEMENTS** (Greenspan, D., Ryan, S.) To allocate one-half of any surplus revenue to a new Local Government Road Improvement Fund, from which money will be distributed directly to local governments to fund road improvements. (2nd Hearing-All testimony-Possible substitute)
- HB 169** **HEALTH INSURANCE** (Merrin, D.) To require, with respect to insurance contracted for or provided by the Department of Administrative Services, an individual who is not covered by a collective bargaining agreement to pay the same percentage of the premium for vision, dental, or life insurance as the individual pays for health insurance. (2nd Hearing-Proponent)
- HB 298** **SICK DAYS** (Merrin, D.) To make changes with respect to the number of sick days provided to public employees. (2nd Hearing-Proponent)
- HB 314** **SAFETY TAX CREDIT** (Schaffer, T.) To allow an income tax credit for law enforcement officials who purchase safety or protective items to be used in the course of official law enforcement activities. (1st Hearing-Sponsor)

- HB 453** **CHARTER HOSPITALS** (Greenspan, D.) To require that all rights and interests in discoveries, inventions, or patents made by employees using charter county hospital facilities are the property of that charter county hospital. (1st Hearing-Sponsor)
- HB 454** **CEMETERY LOTS** (Patterson, J., Arndt, S.) To require a township to compensate the owner of certain unused cemetery lots and rights which the township reenters after lack of response from the owner. (1st Hearing-Sponsor)
- HR 299** **DRUG USE** (Young, R., Ginter, T.) To recognize the efforts and successes of the faith-based community in supporting and assisting individuals who are suffering from opioid and other drug abuse and addiction. (1st Hearing-Sponsor)
- SCR 15** **YEAR DESIGNATION** (O'Brien, S., Wilson, S.) To designate 2018 as 'Ohio's Year of the Trails.' (1st Hearing-Sponsor)

Agency Calendar

Arts Council, 33rd Fl., 30 E. Broad St., Columbus, 10 a.m. (The Finance Committee meets previously at 9:30 a.m. and the Executive Committee meets at noon or immediately following the board meeting.)

Board of Building Appeals, Division of Industrial Compliance, 6606 Tussing Road, Training Room 1, Reynoldsburg, 1:30 p.m.

Public Utilities Commission of Ohio, 180 E. Broad St., 11th Fl., Columbus, 1:30 p.m.

Event Planner

Ohio Oil and Gas Association and Ohio Environmental Council Action Fund news conference call on orphan well legislation, 9:30 a.m.

Managed Long-Term Services and Supports Study Committee, Rm. 1960, 77 S. High St., Columbus, 10 a.m.

Rep. Scott Lipps (R-Franklin) and Rep. Thomas West (D-Canton) and Ohio Pharmacists' Association news conference on prescription drug legislation, Press Briefing Rm., Statehouse, Columbus, 11:30 a.m.

Rep. Ryan Smith (R-Bidwell) & Rep. Dave Greenspan (R-Westlake) fundraiser, Athletic Club, 136 E. Broad St., Columbus, 11:30 a.m., (Chair: \$5,000, Sponsor: \$2,500, Host: \$1,000, Guest: \$500 to Friends of Ryan Smith and Friends of Dave Greenspan RSVP required to Taylor at 740.395.7656 or Taylor@smithforohio.com) Rep. Janine Boyd (D-Cleveland Hts.) fundraiser, Club 185, 185 E. Livingston Ave., Columbus, 5:30 p.m., (Sponsor \$1,000, Host \$500, Friend \$350 to Friends of Janine Boyd. RSVP with Jenna Gravalis at 551-427-9895 or jgravalis@ohiodems.org)

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Volume #87, Report #15 -- Tuesday, January 23, 2018

Lawmakers Urged To Find Bipartisan Agreement On Redistricting Revamp, Sponsor Says Changes Afoot

A key Ohio business group told legislators Tuesday that it could get behind a proposal to change how congressional districts are drawn in Ohio - as long as the plan has "strong" buy-in from both parties.

The sponsor of the proposal, meanwhile, said he wouldn't move forward with process changes without bipartisan support, and that several changes to reach that goal are already under consideration.

Keith Lake, vice president of government affairs for the Ohio Chamber of Commerce, told members of the Senate Government Oversight & Reform Committee reviewing the GOP's resolution (SJR 5) that his group prefers the approach taken in 2015, when a bipartisan agreement led to a General Assembly-backed ballot issue on legislative redistricting that was later approved by more than 70% of voters.

He noted the chamber had previously opposed two citizen-initiated constitutional amendments on the same subject, while the 2015 issue "was put on the ballot by overwhelming bipartisan majorities of the General Assembly and, most importantly, prevents one political party from controlling the process."

"The Ohio Chamber would prefer the congressional redistricting process be revised the same way - beginning with a proposal put on the ballot by the General Assembly after it has garnered support from strong bipartisan majorities," Mr. Lake said.

"While a step in the right direction, SJR5 is not yet that. Unfortunately, what we've observed up to this point is much criticism of SJR5 but not much in the way of constructive feedback. We urge everyone to work together to find a solution that does what our board urged in its 2012 resolution: develop 'an accountable, bipartisan approach that Ohio voters can rely on to produce effective reform and fair congressional districts.'

Echoing opponents of the measure, Mr. Lake said it's important to revise the process appropriately because the current system "isn't working for Ohioans."

"It leads to diminished General Election competition and contributes to intensified partisanship and contentiousness, which turns off otherwise qualified potential public servants from pursuing office," he said.

Sen. Michael Skindell (D-Lakewood) said Democrats were ready to work on an agreeable plan, but Republicans have been reluctant to do so and instead rolled out a resolution without their input.

"We agree with you a measure needs to be bipartisan," he said.

Sen. Matt Huffman (R-Lima), the resolution sponsor, said he has "no intention of moving forward with a resolution out of the Senate...unless there is a change of Democratic support for it." He added that a one-sided plan would likely lose at the ballot anyway.

At that point in the committee hearing, the sponsor informed the audience that several changes were in the works, including making the commission's product a bill that must receive the governor's signature and be subject to a referendum. Taking the governor out of it was his idea, but people don't like it, he acknowledged.

In an interview before the hearing, Sen. Huffman said other changes under consideration would address several of the opponents' complaints with his package.

Those include "tightening language" on county splits and removing the provision dealing with one man, one vote requirements, he said. Altering the percentage of minority party buy-in on maps is also under consideration.

The sponsor said he plans more meetings with interested parties on the measure, which will not be voted out of committee Wednesday despite being slated for possible movement.

He hopes to resolve the differences over the next several days and have the resolution ready for a committee report next Tuesday, Sen. Huffman said. "I really think it's coming together."

Sen. Vernon Sykes (D-Akron) responded in committee to the sponsor's comments of the looming "substantial changes" by saying that Democrats would look closely at the totality of the plan and its expected results versus individual components.

"We are interested in addressing gerrymandering, not just changing how you do gerrymandering," he said.

Sen. Huffman responded, "We will work together on this and will come up with something good."

Mr. Lake's testimony stood out Tuesday as coming from an "interested party." All of the other witnesses, including representatives of a group that's already circulating petitions for a citizen-backed constitutional amendment - Fair Districts=Fair Elections - were listed as opponents.

Among them was Heather Taylor-Miesle, executive director of the Ohio Environmental Council, who said a more bipartisan approach is key to ultimately creating "fair, representative policies" on matters impacting the environment and other areas.

"Bipartisan solutions are more likely when voters select their elected officials and not the other way around, and keeping communities together gives voters leverage to demand action on the pollution going into the neighborhood creek or attention to the quality of their air," she said.

Ms. Taylor-Miesle raised several concerns with the approach laid out in the proposal at hand, including issues related to one person, one vote requirements, splitting of communities and the mapmaking process.

"The requirement under SJR5 to draw districts the exact same population size, with only a variance of plus or minus one person, basically negates any other criteria that could be followed," she said. The community splitting guidelines in the resolution are also problematic because they would be applied unevenly across the state.

Regarding the proposed mapmaking approval process, she added, saying at least 50% of the minority caucuses should be required.

"However, our bigger concern is the commission process outlined if the legislature fails to meet the deadline," Ms. Taylor-Miesle said, citing the ability to pass a four-year plan by a simple majority and then potentially turn it into a 10-year map.

OEC also raised concerns with the lack of a referendum option in the measure and its definition of "compact."

Sen. Huffman called the objections "meritorious arguments" but pointed to the varying sizes of cities and townships and asked if the preference would be to base on population. The witness said it was open to discussion on how to "get there" with the goal of ending up with bipartisan districts.

Asked about the group's objections to the judicial review aspect of the resolution, Ms. Taylor-Miesle said her group was looking for more clarity on language regarding Supreme Court review.

Chairman Sen. Bill Coley (R-Liberty Twp.) got into a debate over the Fair Districts proposal with one of several citizens who showed up to testify on their own behalf and express preference for the pending ballot initiative that supporters have said has already attracted some 200,000 signatures.

He asked Jane Cape, a Springfield resident, to explain the legal definition of "representational fairness" in the Fair District plan and how she would defend it in court.

After saying she was not a lawyer and wouldn't be in court under such a scenario, she replied that it was something that results in elections not being decided at the primary level.

As she continued to make her case, the chairman interjected that he had heard all of the "rhetoric" and "histrionics" over the matter, prompting a rebuke from Ms. Cape.

The result was applause from the audience and a subsequent gaveling from the chairman.

Another citizen, Wendy Dyer from Bellbrook, chastised the majority for presenting a plan that she said "legalizes gerrymandering" and was an attempt to get out ahead of and "circumvent" the public initiative.

Ann Henkener of the League of Women Voters of Ohio and a chief proponent of the Fair Districts=Fair Elections campaign, said the Huffman resolution "does nothing to rein in partisan gerrymandering and takes away an important right that voters in Ohio currently have - the right to referendum," while acknowledging the sponsor's prior statement that changes were in the works in that regard.

"Voters also have a right to fair representation and SJR5 perpetuates the ability of the majority party to draw districts designed to gain a disproportionate majority of seats for their party," she said in her prepared remarks. "I urge this Committee to reject this proposal and substitute a plan that will require bi-partisan support to adopt a redistricting plan, keep communities together, and not permit plans to be drawn to primarily favor or disfavor a political party."

Sen. Coley asked why, if the ability to referendum the map was so important, the ballot group didn't include it in their proposed constitutional amendment.

Ms. Henkener responded that the Fair Districts plan wouldn't result in a bill, and that as far as she knows no other state with a commission-based system allows for referendums.

The chairman also queried the LWVO representative on the definition of representational fairness.

She said it deals with the relation between the state's overall political leanings and the number of Congress members representing each party, or "keeping representation connected to the votes."

If 55% of Ohioans vote for Republicans, for instance, then the number of GOP representatives should reflect that split, she said.

Supporters of the citizen-backed ballot issue are not seeking a "concrete result," rather they are "looking for an opportunity" for both parties in the general election, Ms.

Henkener said. Under the current system, majority partisans "get an advantage that they really don't have with the electorate."

Sen. Coley said in response, "I don't think that's what your proposal does, but I appreciate" your aspirations.

All told, about 15 people testified or provided written comments in opposition to the proposal on Tuesday, with most largely reiterating objections aired previously by the Fair Districts group. (See Gongwer Ohio Report, January 22, 2018)

The House's version of the majority GOP's proposal, which Sen. Huffman said would follow along the lines of changes he is already considering, is slated to be discussed Wednesday in the chamber's Government Accountability & Oversight Committee.

Subscribers Note: Full testimony is available on the committee's website under Jan. 23.

Battle Lines Hold Firm On Right-To-Work, Prevailing Wage Proposals

Sponsors of a slate of right-to-work and prevailing wage resolutions said Tuesday they're confident caucus leaders will exercise their "due diligence" when considering whether to move forward.

But they acknowledged that they have yet to formally poll the House Republican Caucus on where members stand regarding their six joint resolutions introduced last month. (See Gongwer Ohio Report, December 21, 2017)

A spokesman for House Speaker Cliff Rosenberger, meanwhile, reiterated that the Clarksville Republican is open to having the conversation even as Democrats and a top labor group continue blasting the proposals as "anti-worker."

"The speaker is open to having a caucus discussion about this issue, and he believes doing so is very important before any further decisions or determinations are made in regards to these proposals," spokesman Brad Miller said.

Speaking at a Statehouse press conference, Rep. Craig Riedel (R-Defiance) and Rep. John Becker (R-Union Twp.) said they've been encouraged by the speaker's open-mindedness thus far.

"We've spoken with Speaker Rosenberger and we're going to be bringing this up in caucus very soon," Rep. Riedel said. "Hopefully within the next week or two we'll have a caucus discussion over these issues, these resolutions."

If adopted by lawmakers - a three-fifths majority is required - the proposals would head to the 2020 ballot where sponsors said Ohioans of all political persuasions can weigh in to settle the matter once and for all.

"We're not ramrodding anything," Rep. Riedel said. "People are going to say we are, but we're not. Everybody is going to have a say in the matter and everybody will have the opportunity to vote on this."

Two of the resolutions would ban any laws, rules or agreements requiring public and private sector employees to join or pay union dues (HJR 7) and prohibit unions from representing non-members in employment matters (HJR 8).

The other four, which Rep. Becker deemed more "ancillary in nature," would: prevent public authorities from requiring prevailing rate of wages (HJR 9), forbid certain requirements or prohibitions regarding labor agreements in government contracts (HJR 10), subject any public employee collective bargaining representative to an annual election to remain certified as the exclusive representative (HJR 11), and prohibit dues and other fees from being deducted from the payroll check of a public employee (HJR 12).

Unions and Democrats are already pushing back against the resolutions, saying Ohioans already voiced their opinions on the matter by repealing a 2011 law that limited collective bargaining for public employees (SB5, 129th General Assembly).

"Instead of restrictions to make working people poorer and less safe on the job, we should prioritize commonsense ideas that grow our economy and create good-paying jobs that give working families the opportunity to get ahead," Minority Leader Fred Strahorn (D-Dayton) said. "The Republican package of so-called 'right to work' legislation is wrong for working families and wrong for Ohio."

But Rep. Becker said there is "very little to almost nothing" in their new plans that overlaps with the contents of SB5 - an argument AFL-CIO President Tim Burga isn't buying. Mr. Burga said both SB5 and the current proposals are politically-motivated attempts to enact "anti-worker, anti-union" laws.

"You're picking a fight for political reasons at a time when Ohioans can least afford these sorts of unnecessary distractions," Mr. Burga said. "If they've not learned a lesson from SB5 I don't know what it's going to take to wake them up. But I am confident the General Assembly is not interested in introducing proposals that simply are going to take away workers' voices and drive down wages, which is what these things do when you look at them where they've been implemented in other states."

As far as driving down workers' wages, Rep. Riedel insists the opposite; he said his rationale behind the legislation is that it will assist the impoverished in his district by enabling them to keep more of their earnings.

"This is not an affront to unions, this is not an affront to collective bargaining," the sponsor said. "This is all about workers' rights and workers' freedom and being able to choose whether they want to be part of a union and worry about paying fair share fees."

Rep. Becker said that should the resolutions pass the General Assembly he's already envisioning a public campaign from opponents seeking to derail the ballot initiatives. He anticipates the campaign will play out like efforts to repeal the 2011 law.

"At least we'll know what to expect this time," Rep. Becker said.

We Are Ohio, a group that formed in 2011 to oppose SB5, issued a statement denouncing the resolutions as "the Dirty Half Dozen."

"Reps. Riedel and Becker are carrying water for out-of-state interests like the Koch brothers and the American Legislative Exchange Council," the group said. "There are no workers lining up behind these dangerous, divisive and disastrous ideas for Ohioans. Right to Work is wrong for Ohio. Don't trust it."

Rep. Becker said fellow Republicans have shared concerns that the proposals' potential place on the 2020 ballot might drive more Democratic voters to the polls in an important presidential election year.

Rep. Becker said he doesn't adhere to that line of thinking and instead believes Republicans will be more motivated to turn out to the polls compared to Democrats who are already typically mobilized for presidential elections.

Rep. Riedel added that the sponsors feel they need more time to educate the public on their propositions than they would have if they targeted the 2018 ballot.

But there is one concern that could have merit, Rep. Becker acknowledged, and that's whether the private sector right-to-work resolution flies in the face of federal employment law. In talking with the Legislative Service Commission, he said, the answer to that question has remained unresolved.

"Is it a violation of federal labor law?" Rep. Becker asked. "It could be. It's not clear whether it is or isn't."

Health Plans Raise Privacy Concerns With Claims Information Bill

Health insurers and a patient advocacy group urged lawmakers Tuesday not to move forward with a proposal to give small employers access to certain health claims data, saying it could jeopardize employee privacy.

The groups testified against the bill (SB 227) before the Senate Insurance & Financial Institutions Committee.

The bill is designed to help small businesses make better decisions in buying insurance by giving them aggregate, de-identified information about claims made under their plans.

Miranda Motter, president and CEO of the Ohio Association of Health Plans, opposed the measure, saying it would require plans to disclose protected claims information to small employers.

The disclosures could allow employers to identify specific employees for whom the claims data relates, she said. The bill requires the disclosure of all potential catastrophic diagnoses and prognoses involving persons covered under the policy.

"Small employers with fully insured plans are generally not entitled to know about the medical diagnoses, prognoses, and treatment of employees, which is personal in nature, without the employee's consent and providing claims data to small employers raises privacy concerns for employees," she said.

Smaller employers are much more able to associate claims data with specific employees than large employers, Ms. Motter said.

Federal health privacy laws have strict requirements regarding when protected health information can be shared with employers, who are not directly regulated by HIPAA, she said.

"Given that employers are not directly subject to HIPAA, sharing health information with employers creates substantial privacy risks," she said. "In fact, these substantial risks are exactly why HIPAA created significant barriers to sharing PHI with employers."

Small group plans are also priced based on demographic factors, not claims data, meaning they don't need claims data in order to purchase and maintain coverage, Ms. Motter said.

OAHP is working with other stakeholder groups to develop policies aimed at reducing the cost of health care, and Ms. Motter urged the committee not to move forward with the bill yet.

Sen. Steve Wilson (R-Maineville) asked why the line between small and large employers was set at 50.

"The larger the employee group, the harder it becomes to re-identify, even in a de-identified way, the employee affected," Ms. Motter said.

Small employers could benefit from being able to compete directly against larger businesses in that market, Sen. Wilson said.

If health insurance costs are increasing, it's because the underlying cost of care is high, Ms. Motter said.

"Part of what our effort has been is if we're going to see insurance costs go down, we have to get at the underlying cost of health care," she said.

Holly Pendell, with the National Multiple Sclerosis Society, raised concerns that the bill would allow small businesses to identify employees with MS.

"Protecting against discrimination in employment and many other aspects of American life has been a core component of the education and understanding that the MS Society has promoted since our establishment," she said.

"I urge you to err on the side of the consumer today and of the protections given to them by law," she added. "We must not tip the balance away from comprehensive benefits and medical privacy protections and return to era where employees live in fear of being outed due to their medical diagnosis."

Senate Democrats Scrutinize SNAP Fraud Bill

Democrats questioned a bill intended to reduce fraud in the food stamp program by requiring photos on benefit cards as the measure had its first hearing in the Senate Tuesday.

The sponsor of the bill (HB 50) told the Senate Health, Human Services & Medicaid Committee that it wouldn't reduce benefits, but would deter recipients from selling or trading cards.

Rep. Tim Schaffer (R-Lancaster) said the bill is designed to protect the integrity of the Supplemental Nutrition Assistance Program, deter trafficking in SNAP cards and preserve funds for those in need.

The bill stems from an audit of the SNAP program by State Auditor Dave Yost that found weaknesses. Those included excessive balances in accounts, unusual transactions, 36 deceased recipients and more than \$28.7 million in out-of-state spending.

The measure would require that photos be added to EBT SNAP cards, safeguarding benefits of those who are legally entitled to them and deterring and detecting crime where cards are sold or traded, Rep. Schaffer said.

"SNAP is an important safety net for those in Ohio who have fallen on rough times, and I believe that a vast majority of individuals enrolled in the program need the benefits," he said. "As lawmakers, we have a responsibility to assure program integrity."

The bill includes exemptions to the photo requirement for adults 60 and older, blind and disabled citizens, victims of domestic violence or people with a religious objection to being photographed.

Retailers would not be required to check the photo ID at check-out, nor would they be allowed to hinder or prevent anyone's purchase because of the photo ID. Retailers would be able to call a phone number to report suspected fraud.

The bill also includes an opt-in provision for any adults exempted from the photo requirement who wish to have a photo on their cards, and allows the Bureau of Motor Vehicles to share photos on file. Both of those provisions were added in committee in the House.

Sen. Edna Brown (D-Toledo) said she was confused about the need for the bill. She asked about the provision that would prevent clerks from interfering with transactions.

The sponsor said the presence of a photo would deter people from trading or selling the cards, and that it would make it easier for drug investigators who find stacks of EBT cards at drug houses.

"This is just another layer of security," he said. "Frankly, this is not going to be a cure-all bill to solve all fraud. But it'll be a big deterrent and it'll cut a big hole in the crime that's going on."

Sen. Brown asked why the presence of names on EBT cards doesn't deter sales or trading.

Rep. Schaffer said he believed photos would provide additional deterrents.

Sen. Brown said law enforcement officers can already track EBT cards back to their owners if they are found.

"If we want to try to curtail misuse of these cards, I'm willing to work with anyone who wants to curtail it, but putting a photo on it is not the way to do it," she said.

Sen. Charleta B. Tavares (D-Columbus) said the bill implies that people whose cards are found in the possession of drug dealers are involved in drugs or are selling them.

"That is not evidence that that person is involved in drugs," she said. "There are many cards that are stolen out of mailboxes. There are many drugs that are stolen out of purses, or out of cars. They're stolen or they're lost."

Rep. Schaffer said the vast majority of beneficiaries need the program, and he wouldn't support a bill that curtailed benefits to people who need help. The bill is designed to address the issue of fraud and ensure benefits are going to the right people, he said.

Sen. Tavares said many retail grocers are moving away from clerks and toward self-serve kiosks, where nobody will look at cards.

"How do you justify continuing when movement is to do away with clerks in our retail chains?" she asked.

The sponsor said clerks don't have a role unless they suspect fraud.

"It's a lot about deterrent," he said.

Telecom Update Would Drive Investment, Industry Group Says

The Ohio Telecom Association and its members on Tuesday told a panel of lawmakers that Ohio is overdue for a comprehensive update of telecom laws.

Their testimony, delivered before the House Public Utilities Committee, centered on a bill (HB 402) from Rep. Brian Hill (R-Zanesville) that aims to boost the competitiveness of local telephone providers. (See Gongwer Ohio Report, November 13, 2017)

The bill's major change would enable carriers to pursue from the Public Utilities Commission of Ohio rate increases of \$1.25 a month or 20% depending on which is higher. Currently, those providers in competitive areas can seek increases of only \$1.25 a month.

OTA President Charles Moses described the sector as a "dynamic industry that continues to change every day" - a description spelled out in a 2017 study released by the group that prompted the bill. (See Gongwer Ohio Report, October 20, 2017)

"In this type of environment, it is hard for laws and regulations to keep up," Mr. Moses said. "Traditionally, Ohio has been a leader in progressive telecom policy. However, it has been eight years since the last major update to Ohio's telecommunications laws took place."

The Ohio Consumers' Counsel, however, has already called for the bill to be rejected, arguing it would "favor telephone companies against the interest of Ohio consumers, including by allowing 20% annual increases for basic phone service."

The proponents, in turn, argued that companies are incentivized not to raise rates too high because customers will simply seek out other service providers.

"No one is interested in losing customers," OTA General Counsel Scott Elisar told lawmakers.

Rep. John Rogers (D-Mentor-on-the-Lake) questioned how much this might cost consumers. Mr. Elisar provided a few specific companies as examples, saying on average it would amount to a few dollars a year.

Mr. Elisar called the bill "an effort to update old laws, modernize state policy, and level the playing field for all providers in response to explosive competition we've seen in the past decade."

The OTA suggested the bill would: provide additional pricing and regulatory flexibility, mirror Ohio law with federal guidelines, and "clean-up" items from the prior legislative overhaul (SB 162, 128th General Assembly).

Specific policy updates included in the bill, according to Mr. Elisar, include:

- Updating the state's policy statement to recognize emergence of competition and market forces.
- Expanding 911 immunity to include corporate parents and affiliates.
- Eliminating treble damages remedy against telephone companies while ensuring telephone companies remain liable for actual damages.
- Providing that no provision of the bill affects existing contractual obligations or rights under federal law or rules.

Josh Motzer, public policy director for CenturyLink, said the bill will provide a "pathway for future technology investments here in the state."

And Bruce Mottern, chairman of the Rural Broadband Association, said it's critical to eliminate competitive advantages among certain carriers. The bill, he said, would clear regulatory burdens from rural providers in order to better meet customer demands.

In addition to the \$1.25 or 20% increase, Mr. Mottern said, the bill will enable small local exchange companies to increase rates by any amount necessary to meet federal benchmarks. In that case, the PUCO could enact a three-year phase-in to lessen consumer impact, he said.

"This flexibility allows companies to manage their businesses based on operational, financial and competitive needs," he said. "There are plenty of alternative voice service providers in Ohio; the last thing a company wants to do is lose a valued customer."

Groups Call For More Specificity On Bail Assessment Tools

A bill designed to drastically overhaul the bail system in Ohio needs more work, members of the House Criminal Justice Committee were told Tuesday.

Representatives from the ACLU of Ohio and the Office of the Ohio Public Defender suggested several changes to the legislation (HB 439) requiring the Criminal Sentencing Commission to create a list of validated risk-assessment tools to be used by courts across the state in making decisions on bail.

But Niki Clum, legislative liaison for OPD, said not all risk-assessment tools are created equal.

She said Lucas County's use of the "Arnold Tool" has doubled the number of individuals released without monetary bail while also reducing pretrial crime and the number of individuals who fail to appear in court.

"Under the current language of the bill, the Sentencing Commission is not required to examine the risk-assessment tools and determine which are best," Ms. Clum said. "They are only required to provide a list of those that are validated. OPD is concerned that some risk assessment tools may contain implicitly biased questions that result in disproportionate outcomes based on race, ethnicity or gender."

Ms. Clum also called for the bill to require courts to set the least restrictive bail conditions and use monetary bail as a last resort.

Gary Daniels, chief lobbyist for the ACLU of Ohio, echoed those sentiments. He also called for the measure to eliminate monetary bail for all misdemeanor charges and some felony charges and for requiring the collection of race-based data.

"By tracking race of the accused, stakeholders can help determine where in Ohio, and by how much, Ohio's bail system and the changes HB439 creates, affects people of color," he said. "Flaws can also then be addressed and successes can be expanded. Collecting race data throughout Ohio's justice system is already severely lacking. With HB439, we can make progress in one aspect."

But Ms. Clum and Mr. Daniels said that, minus any changes, the bill is still an improvement over the current system. Both testified as interested parties.

Daniel Dew, legal fellow at the Buckeye Institute, warned in interested party testimony that the \$2 billion per year bail bond industry will likely push back against the bill.

"How pretrial detention decisions are made is left to the state," he said. "The goal of a pretrial system should be to release as many defendants as safely as possible before trial, and for defendants to show up for court."

Rep. Bill Seitz (R-Cincinnati) questioned how much an ability to pay should be weighed in bail decisions.

Mr. Dew said that is just one factor to be taken into consideration. He said under current law, courts will set an extremely high bail for individuals deemed to be dangerous with the hope that they cannot pay.

"Not only does this make it more fair, it takes judges and prosecutors out of the position of asking for a \$2 million bail knowing somebody isn't going to make it," he said.

Rep. Seitz also questioned how effective the risk-assessment tools are in lowering failure to appear rates.

Mr. Dew said in every study he has read the rate has been the same or lower.

Sara Andrews, director of the Criminal Sentencing Commission, said the bill reflects the recommendations of an Ad Hoc Committee on Bail and Pretrial Services that was formed in 2016.

"Those recommendations are designed to be holistic and focus on achieving consistency, fairness and efficiency in the pretrial system while decreasing the reliance on monetary bail," she said in proponent testimony. "As such, the use of a validated risk assessment instrument to inform release or detain decisions - realizing that bond should be 'risk' based and not 'charge' based - is recommended. The use of a risk assessment tool is one more resource a judge can use to inform decisions and ensure equity in all steps of the bail-setting process."

Rep. Seitz raised several concerns with the bill, including what he called an "impenetrable black box" in the form of the "Arnold Tool" used in Lucas County.

Ms. Andrew said that may have been the case at one time, but that has since changed. "I believe that it is more accessible and publicly available," she said.

The panel also received proponent testimony from FreedomWorks and the American Conservative Union Foundation.

Patrick Plein, a policy analyst at the ACUF's Center for Criminal Justice Reform, said studies have found that the likelihood of being rearrested or recidivating increases when an individual is held in pretrial confinement.

"The impact of this worrisome trend goes far beyond any one defendant," he wrote. "Anything that encourages recidivism means another crime, which is another victim, another prosecution, and another cost to be borne by the public. The current system in Ohio does just that. As a result, Ohioans are paying more in taxes for less public safety, because of the current approach to bail."

Parma Municipal Court Judge Kenneth Spanagel also provided written interested party testimony in which he urged the panel to move the bill.

ECOT Appeals Closure, Says Founder Will Waive Fees To Prevent Budget Shortfall

The Electronic Classroom of Tomorrow is appealing the decision that shut it down, saying it could remain fiscally stable through the end of the school year by no longer paying management and learning platform fees.

The e-school's sponsor, Educational Service Center of Lake Erie West, voted last week to suspend operations of the school amid financial concerns.

ECOT is strapped for cash because it's repaying the state for \$80 million in overpayments tied to attendance audit findings, which are being disputed in a lawsuit pending before the Ohio Supreme Court.

In its latest appeal, ECOT said its founder Bill Lager, who owns the management company and learning platform used by the school, has agreed to forgo payment for the

rest of the year to allow the school to reopen and finish out the academic year in the black.

Also part of the deal is continued monthly repayments to the state and an agreement that an interim master could be appointed by a court to oversee ECOT operations through the end of the school year.

"This is truly the best option for the thousands of ECOT families who have been grappling with this devastating news that their school would be closing its doors mid-year," ECOT spokesman Neil Clark said. "This plan effectively gives supervision of the school to a court-appointed master to ensure the school continues out its mission for a few more months while we wait for a favorable response from the Ohio Supreme Court."

Mr. Clark also took a shot at the Department of Education, which rejected a similar deal immediately prior to the sponsor's vote to shut down the school last week. That proposal also promised that ECOT wouldn't file any future lawsuits against the agency regarding attendance audits.

"Bill Lager suspending his fees through June shows another attempt to keep ECOT alive. It is unfathomable that the powers at be at ODE and the Governor's office aren't protecting ECOT students and families," he said.

ODE Spokeswoman Brittany Halpin defended the agency's handling of the situation, saying that it has attempted to work with ECOT for the last two years to resolve issues related to overpayment and full-time attendance audits.

It has become clear in that time, she said, the school and its backers have never intended to accurately report student participation, which determines funding.

A hearing officer this week confirmed the latest audit report findings that show the school over reported the number of full-time students again last school year. The State Board of Education is expected to vote to approve that report, which cites \$20 million in overpayments, at its February meeting.

"Based on their actions, the department has no confidence that ECOT intends to follow the law. We're disappointed that ECOT and its for-profit vendors, IQ Innovations and Altair Learning Management, continue to prioritize their monetary gain over the best interests of 12,000 students," Ms. Halpin said in a statement.

However, lawmakers on Tuesday also called on the state to step in to keep ECOT open until June, giving students and teachers time to evaluate their options for moving on to a new school next year.

They stressed that every day the school is closed, 12,000 students - including more than 2,200 seniors who were on track to graduate this spring - are falling farther behind in their schooling.

"It would be ideal if we could finish the school year," Rep. Andy Thompson (R-Marietta) said during a Statehouse news conference.

Rep. Andy Brenner (R-Powell), chairman of the House Education and Career Readiness Committee, said there's also concerns about ECOT teachers who will have difficulty finding work mid-year.

Like Mr. Clark, he said ODE could have prevented the midyear closure of the school by setting up a different repayment plan.

"While it's not the department's responsibility to close the school but that of the school sponsor, the department created the environment that caused the school to close midyear," Rep. Brenner said. "This is not to say that ECOT wasn't responsible for their actions, but the midyear closing could have been mitigated or prevented."

Rep. Brenner said he's working on legislation that would "prevent this from happening again."

The potential bills could prohibit the department from setting retroactive rules and require it to use forensic accounting and other options for determining whether students were active in learning opportunities when log-in records can't be produced, he said.

He said he'd also like to ensure that schools don't close in the middle of the year and ODE has firm plans in place to assist displaced students and teachers when schools do shut down.

"Every day that they're not in school is another day that they're not able to learn and be able to go and potentially this graduate...or go on to the next school year," Rep. Brenner said of currently displaced ECOT students.

ECOT Assistant Principal Laura Beth McNamara said the school could resume operations immediately if the sponsor accepts the deal brought forward Tuesday.

"The student accounts are still there, most of them still have their equipment. We haven't had a chance to gather up 12,000 computers yet," she said.

She and the Ohio Christian Alliance have reached out to Gov. John Kasich and asked him to intervene and press the sponsor and ODE to consider options to keep ECOT open for the remainder of the school year.

"There is a way forward," OCA President Chris Long said before delivering his letter to the governor's office.

The governor told reporters last week that it wouldn't be appropriate for him to advise ODE on how to respond to the situation.

The superintendent of public instruction, who leads the agency, is not in the governor's cabinet and is instead hired by the State Board of Education to serve independently of the administration.

"It is up to them to manage this, to have a situation where if the sponsor pulls (its support)...that they're prepared to be able to absorb these students," Gov. Kasich said at the time. "We've told them that on a regular basis without getting in the middle of negotiations. We don't believe it's our job to do that. It's not appropriate."

High Court Sides With Arrestee In Dispute Over Purse Search

The Ohio Supreme Court on Tuesday ruled the warrantless search of a woman's purse was unconstitutional.

Writing for the majority, Justice Bill O'Neill found that the search, which turned up drugs, was not justifiable.

The case stems from the 2014 arrest of Jamie Banks-Harvey in Warren County after she was stopped by an Ohio State Highway Patrol officer and was found to have outstanding warrants on drug charges out of Montgomery County, the high court's media arm reported.

After she was detained and placed in a cruiser, the patrolman removed her purse from the vehicle she was driving, searched it and found drugs. Ms. Banks-Harvey was charged with felony possession of drugs and misdemeanor possession of drug paraphernalia.

She pleaded no contest to both charges after an unsuccessful attempt to suppress the evidence. She was sentenced to three years community control.

She appealed the trial court's decision not to suppress the evidence to the Twelfth District Court of Appeals, which upheld the ruling on the grounds that the OSHP has a policy of inventorying the belongings of an arrested person.

But Justice O'Neill found that both courts erred in their decisions.

"The question in this case is not whether the purse was taken from the car pursuant to a standardized law-enforcement policy, but whether such a policy was sufficient justification for the warrantless retrieval of the purse from the car," he wrote. "We conclude that it was not and therefore that the subsequent search of the purse did not qualify as a valid inventory search, because the purse had not lawfully come into the custody of the police."

He was joined in his decision by Justice Judith French and Justice Patrick Fischer. Justice Sharon Kennedy concurred in judgement only.

In her written opinion, Justice Kennedy noted that a local police officer showed up at the scene to take Ms. Banks-Harvey into custody.

"Even when a standardized procedure or policy permits an inventory search of an arrested person's effects incident to incarceration, it is unreasonable, within the context of the Fourth Amendment, for a law-enforcement officer to execute that inventory search when he is not taking the arrested person to a station house for booking and incarceration," she wrote.

"Moreover, it is unreasonable, within the context of the Fourth Amendment, for a law-enforcement procedure or policy to give an officer discretionary authority to take personal effects that are not in an arrestee's possession at the time of arrest and are safely secured be retrieved and taken to the station house, where they will be subject to an inventory search."

In a dissenting opinion joined by Chief Justice Maureen O'Connor, Justice Patrick DeWine found the search to be lawful.

"Here, despite the attempts to cast aspersions on the trooper's motivation, there is no evidence that the trooper's primary purpose was other than to secure the purse so that it could accompany Banks-Harvey to the station," he wrote. "That he was also on the lookout for illegal items does not render the inventory search unreasonable."

Justice Terrence O'Donnell also dissented, finding the case was improvidently allowed, saying "the Ohio State Highway Patrol policy is not in evidence, the case is factually specific, and no general rule of law can be formulated from its resolution."

Ohio Business: P&G Reports Sales Increase; Banks Report Year-End Financial Results...

Procter & Gamble saw net sales of \$17.4 billion in the second quarter, up by 3% from the previous year.

Organic sales were integral in the gain, increasing by 2% in the quarter ended Dec. 31, P&G reported. Diluted net earnings for all sales were \$0.83, a decline of 68% compared to the prior year due to a divestiture gain in the base period and a current period net income tax charge related to a federal tax package.

Operating cash flow was \$3.7 billion for the quarter, while adjusted free cash flow productivity was 91%, the Cincinnati-based company said. It returned \$3.6 billion of cash to shareholders via \$1.8 billion of dividend payments and \$1.8 billion of common stock repurchase.

"We accelerated organic sales growth and delivered strong productivity cost savings and cash flow," Chairman, President and CEO David Taylor said in a statement. "We remain on track to achieve our fiscal year objectives."

Huntington: The Columbus-based company saw a 67% increase in net income, which came in at \$1.2 billion for 2017. Earnings per common share for the year were \$1, up 43% from the prior year.

Return on average assets for year ended Dec. 31 was 1.17%, while return on average tangible common equity was 15.7%, the bank reported. Total revenue increased 22% compared to the previous year.

The results exclude about \$152 million pretax of FirstMerit acquisition-related expenses, or \$0.09 per common share after tax, and an estimated tax benefit of \$123 million, or \$0.11 per common share, related to federal tax reforms enacted in December.

"We achieved our long-term financial goals for Return on Tangible Common Equity and Efficiency Ratio on a GAAP basis for the first time," chairman, president and CEO Steve Steinour said of the final quarter of the year. "In fact, during the fourth quarter, we achieved all five of our long-term financial goals. In addition, we recently began the strategic planning process that later this year will yield new long-term financial goals for the company."

Community Investors Bancorp: The parent company of First Federal Community Bank of Bucyrus reported net earnings of \$561,000, or \$0.71 per share for the second half of 2017. The total represents a \$45.3% increase from the same period in 2016.

Total assets as of Dec. 31 were \$145 million, which is an increase of \$1.6 million from June 30, the company announced. Meanwhile, investments increased by \$500,000 and the allowance for loan loss increased by \$135,000.

First Financial: For the three months ended Dec. 31, the company reported net income of \$24.8 million, or \$0.40 per common share, which is unchanged from the previous quarter.

Return on average assets for the fourth quarter was 1.13% while return on average tangible common equity was 13.85%.

In 2017, the company had earnings per diluted share of \$1.56 compared to \$1.43 for 2016, it reported.

Peoples Bancorp: The company posted a record full-year net income of \$38.5 million, or \$2.10 per diluted share. In the fourth quarter, the company reported net income of \$9 million, or \$0.49 per share.

"Earnings per diluted common share for the full year of 2017 were positively impacted by \$0.10 due to gains on sales of bank equity investment securities, and negatively impacted by \$0.02 due to non-core charges and \$0.05 due to the recently enacted Tax Cuts and Jobs Act," according to a company release.

Arts Award: Heartland Bank and the J.M. Smucker Company are set to be recognized at the 2018 Arts Day & Governor's Awards for the Arts in Ohio ceremony in May.

They're among nine winners of the governor's awards for supporting the arts. Heartland Bank is to be recognized in the category of small businesses that support the arts and Smucker's will take home the award as a large company that supports the arts.

"The 2018 Governor's Awards winners are true innovators and leaders in their communities. They exemplify Ohio's creative and forward-thinking spirit. On behalf of the Ohio Arts Council, I congratulate this year's group of individuals, organizations, and businesses on earning our state's most prestigious artistic and cultural achievement," said Donna S. Collins, executive director of the Ohio Arts Council.

Gongwer Unveils Text Alerts for Bill Tracking, Breaking News, Other Messages

Gongwer News Service today launched new services that allow subscribers to receive bill tracking alerts, breaking news updates and other key Gongwer products via text message.

To activate text alerts, subscribers should log in to their accounts, click on their name in the banner and select Update Profile. Next, enter your mobile number and carrier, and select the alerts and messages you want to receive via text. Once your preferences have been set, click the Update button at the bottom of the box.

The system allows subscribers to request text notifications regarding the publication of the Gongwer *Ohio Report*, breaking news updates, media clips and legislative floor reports. Subscribers can also request real-time bill tracking alerts or a daily summary of activities on all bills that are being tracked.

Alert preferences can be changed at any time.

Due to limitations on the size of text messages, all text-based alerts will include a summary of the message received and a link to the full content of the message.

The new services are available to subscribers at no additional cost.

All Gongwer accounts include access to the leading bill tracking system that offers real-time alerts on legislation of interest. Subscribers can track by bill number, keyword, sponsor and Revised Code section and can also receive alerts based on legislative activity, committee scheduling and subject area. All bill tracking features, which include customizable bill status reports that can be shared with members and clients, are available on Gongwer's Bill Tracking page.

For questions about Gongwer bill tracking services, contact Gongwer at gongwer@gongwer-oh.com or 614.221.1992.

Governor's Appointments

State Speech and Hearing Professionals Board: Lisa A. Froehlich, PhD of Lebanon for a term beginning January 23, 2018, and ending March 22, 2020.

State Board of Cosmetology: Jessica Price-Kovach of Galloway for a term beginning January 23, 2018, and ending October 31, 2021.

Cuyahoga Community College Board of Trustees: Andrew E. Randall of Cleveland for a term beginning January 23, 2018, and ending October 12, 2022.

Supplemental Event Planner

Wednesday, January 24

Rep. Scott Lipps (R-Franklin) and Rep. Thomas West (D-Canton) and Ohio Pharmacists' Association news conference on prescription drug legislation, Press Briefing Rm., Statehouse, Columbus, 11:30 a.m.

Thursday, February 15

Kevin Bacon (R-Candidate 12th Congressional District) fundraiser, Onda, Labuhn, Rankin & Boggs, 35 N. Fourth St., Suite 100, Columbus, 5 p.m., (RSVP to laura.bates.oh@gmail.com or 586.610.1040)

Wednesday, February 21

Ohio Alliance of Boys & Girls Clubs' Statehouse Reception, Statehouse Atrium, Columbus, 4:30 p.m.

Rep. Richard Brown (D-Canal Winchester) fundraiser, Club 185, 185 E. Livingston Ave., Columbus, 5:30 p.m., (Sponsor \$1,000, Host \$500, Friend \$250 to Citizens for Richard Brown. RSVP with Jenna Gravalis at 551-427-9895 or jgravalis@ohiodems.org)

Thursday, February 22

Kevin Bacon (R-Candidate 12th Congressional District) fundraiser, Medallion Club, 5000 Club Dr., Westerville, 6:30 p.m., (RSVP to laura.bates.oh@gmail.com or 586.610.1040)

Tuesday, February 27

Rep. Glenn Holmes (D-McDonald) fundraiser, Westies Gastropub, 940 S. Front Street, Columbus, 5:30 p.m., (Sponsor \$1,000, Host \$500, Friend \$250 to Committee to Elect Glenn Holmes. RSVP with Jenna Gravalis at 551-427-9895 or jgravalis@ohiodems.org)

Wednesday, February 28

Ohio Farm Bureau Ag Day at the Capital, Sheraton Hotel, 75 E. State Street, Columbus, 9 a.m.

Wednesday, March 7

Rep. Michael Sheehy (D-Oregon) & Rep. Michael O'Brien (D-Warren) fundraiser, Club 185, 185 E. Livingston Ave., Columbus, 5:30 p.m., (Sponsor \$1,000, Host \$500, Friend \$350 to Committee to

Elect Michael Sheehy and Committee to Elect Michael O'Brien. RSVP with Jenna Gravalis at 551-427-9895 or jgravalis@ohiodems.org)

Tuesday, March 13

House Minority Leader Fred Strahorn (D-Dayton) fundraiser, The Walrus, 143 E. Main St., Columbus, 5 p.m., (Sponsor \$2,500, Host \$1,000, Guest \$500, Friend \$350 to Committee to Elect Fred Strahorn. RSVP with Amy Katrak at 614-420-1269 or akatrak@ohiodems.org)

Wednesday, March 21

Rep. Tavia Galonski (D-Akron) fundraiser, Westies Gastropub, 940 S. Front Street, Columbus, 5:30 p.m., (Sponsor \$1,000, Host \$500, Friend \$250 to Friends of Tavia Galonski. RSVP with Jenna Gravalis at 551-427-9895 or jgravalis@ohiodems.org)

Wednesday, April 11

Rep. Bernadine Kent (D-Columbus) fundraiser, Einstein Bros. Bagels, 41 S. High Street, Columbus, 8 a.m., (Sponsor \$1,000, Host \$500, Friend \$250 to Kent for Ohio. RSVP with Jenna Gravalis at 551-427-9895 or jgravalis@ohiodems.org)

Tuesday, May 15

Rep. John Rogers (D-Mentor-on-the-Lake) & Rep. John Patterson (D-Jefferson) fundraiser, Club 185, 185 E. Livingston Ave., Columbus, 5:30 p.m., (Sponsor Levels: Sponsor \$1,000, Host \$500, Friend \$350 to Friends of Rogers and Committee to Elect John Patterson. RSVP with Jenna Gravalis at 551-429-9895 or jgravalis@ohiodems.org)

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Click the after a bill number to create a saved search and email alert for that bill.

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House Activity for Tuesday, January 23, 2018

INTRODUCED AND REFERRED

- HB 478** ■ **WIRELESS SERVICES** (Smith, R., LaTourette, S.) To modify the law regarding wireless service and the placement of small cell wireless facilities in the public way. Am. 4939.01, 4939.02, 4939.03, 4939.031, 4939.035, 4939.038, 4939.0311, 4939.0313, 4939.0315, 4939.0319, 4939.0321, 4939.0325, 4939.04, and 4939.08; to amend, for the purpose of adopting new section numbers as indicated in parentheses, sections 4939.035 (4939.036), 4939.038 (4939.037), 4939.039 (4939.038), 4939.0313 (4939.0312), 4939.0315 (4939.0313), 4939.0317 (4939.0315), 4939.0319 (4939.0316), 4939.0325 (4939.0322), and 4939.0327 (4939.0323) and to enact new sections 4939.039 and 4939.0317 and sections 4939.0314, 4939.0329, and 4939.09, and to repeal sections 4939.032, 4939.033, and 4939.037
Government Accountability & Oversight
Gongwer Coverage

INTRODUCED

- HB 473** ■ **LOCAL FUNDING** (Young, R.) To credit additional amounts to the Local Government Fund to provide for payment to fire districts that experienced a 30% or more decrease in the taxable value of power plants located in the districts between 2016 and 2017 and to increase the appropriation to the Local Government Fund. Am. 5747.50 of the Revised Code and to amend Section 387.10 of Am. Sub. H.B. 49 of the 132nd General Assembly

- HB 474** ■ **LICENSE PLATE** (Antani, N.) To create the "Trees 4 Ohio" license plate. Am. 4501.21 and to enact section 4503.941

- HB 475** ■ **SKATEBOARDING** (West, T.) To prohibit a person riding a skateboard or the operator of a vehicle from attaching the skateboard or the rider to the vehicle and to name this act the "Dallas Swogger Act." Am. 4511.54

- HB 476** ■ **ORGAN DONATIONS** (Koehler, K.) To require the Registrar of Motor Vehicles and each Deputy Registrar to ask each person renewing a motor vehicle registration if that person wants to make a voluntary contribution to

the Second Chance Trust Fund. Am. 2108.34, to enact section 4501.027, and to repeal sections 4506.081, 4507.231, and 4507.501

- HB 477** ■ **SCHOOL OPERATIONS (Koehler, K.)** To eliminate various provisions and programs related to the Department of Education and the operation of primary and secondary schools. Am. 109.57, 2917.46, 3301.133, 3302.26, 3313.71, and 3313.753 and to repeal sections 3301.073, 3301.0722, 3301.111, 3301.21, 3301.25, 3301.86, 3301.88, 3301.95, 3301.96, 3302.037, 3302.30, 3311.061, 3313.206, and 3313.711

CALENDAR FOR COMING SESSION

- HB 172** ■ **MEDICAL RECORDS (Schuring, K.)** To modify the laws governing access to a patient's medical records.
Wednesday, January 24

- HB 250** ■ **ELECTRIC BICYCLES (Brinkman, T.)** To establish requirements for the use of electric bicycles.
Wednesday, January 24

- HB 332** ■ **ANATOMICAL GIFTS (Antani, N.)** Regarding anatomical gifts, transplantation, and discrimination on the basis of disability.
Wednesday, January 24

- SCR 8** ■ **MISSILE DEFENSE (O'Brien, S., Eklund, J.)** A resolution to urge the United States Missile Defense Agency to select Camp Ravenna Joint Military Training Center in Ravenna, Ohio, as the preferred site for a future east coast Missile Defense system.
Wednesday, January 24

RE REFERRED

- HB 58** ■ **CURSIVE HANDWRITING (Brenner, A., Slaby, M.)** To require instruction in cursive handwriting.
Higher Education & Workforce Development

REFERRED

Armed Services, Veterans Affairs & Homeland Security:

- SB 81** ■ **FIREARMS** (Terhar, L.) To waive the concealed carry license fee for active members of the armed forces and retired and honorably discharged veterans, to accept military experience with firearms as proof of competency with firearms regardless of when the applicant for a license acquired the experience, to permit a licensee to renew a concealed handgun license at any time before the expiration of the license, and to require the Attorney General to monitor the number of license fees waived and cap the total amount allowed to be waived at \$1.5 million.
- HB 468** ■ **MILITARY LEAVE** (Perales, R., Boyd, J.) To grant full-time state employees paid leave for the purpose of attending medical examinations and appointments provided through the United States Department of Veterans Affairs.

Energy & Natural Resources:

- HB 463** ■ **WASTE FEES** (LaTourette, S.) To increase one of the state fees levied on the transfer or disposal of solid waste in Ohio, the proceeds of which are deposited into the Soil and Water Conservation District Assistance Fund, and to make an appropriation.

Government Accountability & Oversight:

- HB 466** ■ **ELECTIONS CYBERSECURITY** (Clyde, K.) To establish a Director of Elections Cybersecurity and an Elections Cybersecurity Council to advise the Secretary of State on securing Ohio's elections and preventing future threats.
- HB 467** ■ **ELECTION PROCEDURES** (Clyde, K.) To require the boards of elections to conduct audits of election results and, beginning in 2019, to use only voting equipment that produces voter marked and voter verified paper ballots.
- HB 469** ■ **TAX CREDIT** (Schuring, K., Patton, T.) To authorize a nonrefundable insurance company tax credit for contributions of capital to transformational mixed use development projects.

HB 471 ■ **OFCC AUTHORITY (Gonzales, A.)** To specify that the Ohio Facilities Construction Commission's powers do not extend to letting or administering contracts that fall under the power of the Department of Administrative Services to make changes to existing facilities.

Health:

SB 28 ■ **ABORTION (Uecker, J.)** Regarding final disposition of fetal remains from surgical abortions.

HB 464 ■ **STROKE PATIENTS (Lipps, S., Antonio, N.)** To provide for recognition of stroke centers and establishment of protocols for assessment, treatment, and transport to hospitals of stroke patients.

HB 465 ■ **MEDICAID DRUG BENEFITS (Lipps, S., Koehler, K.)** To provide for the prescribed drugs benefit to be delivered under the Medicaid program through the fee-for-service system.

State & Local Government:

HB 470 ■ **LIGHTING FUNDS (Edwards, J.)** To authorize a property tax levy specifically to fund lighting for roads and public places.

Transportation & Public Safety:

HB 472 ■ **ROAD NAMING (Cera, J.)** To designate a portion of State Route 164 in the Village of Bergholz as the "Pvt. David Rhoades Memorial Highway."

HOUSE SPEAKER'S APPOINTMENTS

Energy and Natural Resources Committee: Remove Rep. Vitale, effective January 22, 2018.

COMMITTEE HEARINGS

Finance

HB 281

BROADBAND EXPANSION (Carfagna, R.) To establish the residential broadband expansion program within the Development Services Agency to award matching grants for last mile broadband expansion in municipal corporations and townships and to make an appropriation. (**REPORTED-SUBSTITUTE (No testimony)**; 5th Hearing-All testimony-Possible substitute & vote)

The bill was reported following the acceptance of a substitute version that included a handful of substantive changes along with other updates that sponsor Rep. Rick Carfagna (R-Westerville) described as dealing mostly with "semantics" and cleanup language to avoid redundancies. He said the Legislative Service Commission Comparison Document on the sub bill covers those changes as well as a series of amendments accepted at the committee's last hearing.

As explained by the sponsor, the more significant changes incorporated Tuesday include:

- Allowing local governments that decide to fill funding gaps on their own to avoid seeking county approval.
- The creation of a "challenge process" for requests-for-proposals with a five-day period for providers to question guidelines.
- Language dealing with the treatment of proposals that allow for the redaction of "trade secrets."
- Providing for alternative payment terms rather than mandating that providers do not get fully paid until the projects are completed.
- Removal of regulations of rates and pricing.
- Clarifying that providers are responsible for upkeep upon completion of the infrastructure.
- Clarifying that the assessments provided for in the legislation only apply to specific broadband projects.

Mr. Carfagna told the panel that 55 interested parties have been kept informed throughout the process of the more recent changes and there were no objections raised regarding the sub bill. "We're doing our best to keep people abreast of what we're trying to accomplish here," he said.

In answering questions from the panel, the sponsor said: the bill contains adequate protections regarding assessments and the process of determining unserved areas; and the substitute's elimination of language specifying monthly usage and "roundtrip latency" standards was aimed at avoiding any "micromanaging" of service providers.

The sponsor said in an interview that the bill provides for the Development Services Agency to use \$2 million every biennium from unencumbered funds, language that required the bill's approval by the Finance Committee.

Among members present for the vote, only Rep. Jim Butler (R-Oakwood) and Rep. Mark Romanchuk (R-Mansfield) were opposed to the report.

The latter lawmaker in an interview cited a 10-megabyte download standard, saying he didn't want to be paying for "old technology" and noting that satellite providers already exceed such speeds.

Financial Institutions, Housing & Urban Development

HB 182 DEBT ADJUSTING (Seitz, B.) Regarding debt adjusting. (REPORTED; 5th Hearing-All testimony-Possible vote)

Before the bill was reported, Betty Montgomery, an attorney representing the American Fair Credit Council, told the panel that it will not allow for the unauthorized practice of law.

"Case law - both within this state and at the United States Supreme Court - has given us some direction when trying to determine whether or not certain behaviors constitute the practice of law," the former attorney general said.

Ms. Montgomery said the legislation will allow debt settlement companies to operate in Ohio the same way non-profit credit counseling agencies have for decades - with no objection from the bar, she added.

"This bill provides an opportunity for both clarity and fairness: Should this bill pass and the industry begins engaging with business in Ohio, it undoubtedly will be challenged once again," she said. "The industry will then have an opportunity to have full hearings, presenting persuasive evidence and argument to the Ohio Supreme Court, the proper forum for clarification regarding whether or not the debt settlement industry is engaged in the unauthorized practice of law."

The bill was reported in an 8-5 vote, with Rep. Jim Hughes (R-Columbus) joining Democrats on the panel in opposition.

HB 386 CREDIT FREEZES (Henne, M., Kelly, B.) To modify the fees that a credit reporting agency can charge in relation to a credit report freeze.

(CONTINUED (No testimony); 4th Hearing-All testimony)

HB 390 FORCIBLE ENTRY (Merrin, D.) To clarify how to calculate certain timelines under which a forcible entry and detainer action must occur. (CONTINUED; 4th Hearing-All testimony)

Dan Acton, government affairs director of the Ohio Real Estate Investors Association, said the measure is intended to standardize eviction laws throughout the state based on previous court rulings.

The legislation, he added, is needed because the calculation of days varies by county.

"Our investor members sometimes own property in multiple counties and the idea of attempting to interpret local laws for a legal action that should be consistent across the state is a recipe for failure and can lead to more complications for all parties involved," he said.

Under the measure, for the purposes of eviction, calendar days would be counted instead of business days.

"In any other contract related to a property whether it is for utility services, taxes paid, mortgages, or insurance, the service provider, or the government counts calendar days. The calculation of days for eviction should not be any different," he said.

HB 432 **STUDENT LOANS (Boggs, K., Kelly, B.)** To require student loan servicers to be licensed by the Division of Financial Institutions and to create the position of student loan ombudsperson in the Division of Financial Institutions to provide assistance to student loan borrowers. H. B. No. 433 - Representatives Kelly, Brinkman. (**CONTINUED; 1st Hearing-Sponsor**)

Rep. Kristin Boggs (D-Columbus) said in sponsor testimony that student loan borrowers rarely have the opportunity to vet the company servicing their student loans.

"They are thrust into this relationship with a company that they did not necessarily agree to do business with, so the purpose of this bill is to prevent unscrupulous student loan servicing companies from taking advantage of student borrowers by misapplying payments or misrepresenting their practices," she said.

In addition to creating a student loan ombudsman within the Department of Commerce, the bill would enhance oversight of student loan servicers operating in the state.

Fellow sponsoring **Rep. Brigid Kelly** (D-Cincinnati) said 11 other states have taken similar steps.

"We believe this bill will ensure student loan borrowers and their families receive levels of services and protection that are standard for other financial contracts, but not currently guaranteed under federal law for student loan servicers," she said.

"Notably, this legislation does not require banks or credit unions to obtain a license because similar federal regulations for these companies already exists. Our goal is to make the playing field even across the board, and make sure that Ohioans get the same level of services and protections regardless of who is servicing their student loans."

Asked by chairman **Rep. Jonathan Dever** (R-Cincinnati) about DOC's position on the bill, Rep. Boggs said those discussions have yet to take place.

Subscriber's Note: For full written testimony, see the [committee's website](#) under Jan. 23, Energy & Natural Resources

HB 393 **BRINE SALES (DeVitis, T., O'Brien, M.)** To authorize a person to sell brine derived from an oil and gas operation that is processed as a commodity for use in surface application in deicing, dust suppression, and other applications. (**CONTINUED-AMENDED; 3rd Hearing-All testimony-Possible vote**)

Rep. Jay Edwards (R-Nelsonville) won support for an amendment that requires the collection of samples, rather than making the collection optional. The change, he said, is expected to move the Ohio Environmental Council from an opponent to an interested party. Melanie Houston of the Ohio Environmental Council Action Fund followed that action with interested party testimony. She said the amendment represents a big step, but the group is still concerned about metals and radioactive materials.

She said the group supports the goal of recycling oil and gas brine outside of injection, but raised concerns that it doesn't include a process that ensures protection of public health, safety and the environment.

To earn the group's support, she said lawmakers would either need to require satisfactory test results regarding radiological materials and heavy metals or establish a regular testing protocol by a lab equipped for those tests.

"We understand that this is a tall order," she said. "We understand that the company is a small business owner in northeast Ohio with a product that works well to treat ice and snow on our roads, and we appreciate the need for safe car travel throughout the state. We understand that there are competing public health priorities and that de-icing roads is essential to keep our communities safe and functioning throughout the winter months." "The OEC Action Fund understands that you also may prioritize the public safety goal of adding another deicing product to the market over the public safety goal of minimizing radiological and heavy metal content that is brought to the surface through resource extraction."

She also called on lawmakers to have the manufacturer demonstrate that the product is safe and is not radioactive.

"While we have heard about the efficacy of the product to treat ice and snow, we have not yet seen the lab analyses to demonstrate that there are no NORM or heavy metals present in the product," Ms. Houston added.

Rep. Dick Stein (R-Norwalk) asked whether the group is opposed to the current use of the product on some roads across the state.

Ms. Houston acknowledged that the product is being used, but said the authorization came from a divisional order rather than the enactment of law. She said passage of a bill could lead to much wider use, including sales for personal use.

Rep. David Leland (D-Columbus) asked how long the product has been in use in Ohio.

Ms. Houston said it dates to about 2004, when an order was issued by the chief of the Division of Oil & Gas. She told Mr. Leland she does not have any data about the condition of soil near where the product has been used, but said DNR may have that information.

Bill Rish of ToxStrategies lent support for the bill, telling the panel that Nature's Own and Duck Creek Energy asked him to consider whether the use of AquaSalina for deicing roads present significant ecological or health risks.

He said his research has shown that the product will not create unacceptable ecological or human health risks and has impacts that are much lower than the use of rock salt.

"I found that laboratory data demonstrate that the use of AquaSalina will not result in exceeding Ohio surface water criteria for protection of aquatic species or protection for agricultural use of surface water for any of the substances present in the product," he said. "I also found that laboratory data for the content of AquaSalina, when compared to my published study, show that AquaSalina will not result in risk to drinking water, even if an adult or child drinks from a shallow well near the location that AquaSalina is applied. In fact, I expect that this drinking water pathway is unlikely to exist."

That process included a review of third-party and independent certification agencies, as well as academic institutions and the Pennsylvania Department of Environmental Protection, he said, adding that the Pennsylvania-style brine has much higher radiological levels than AquaSalina.

Responding to questions, Mr. Rish said studies have shown that even a person who would be most exposed to the product from all potential channels would likely only reach 1/100th of a what would be considered a maximum acceptable level.